

IMPORTANT NOTICE
NOT FOR DISTRIBUTION INTO THE UNITED STATES

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached offering circular (the “**Offering Circular**”) attached to this e-mail. You are therefore advised to read this disclaimer carefully before accessing, reading or making any other use of the attached offering circular. In accessing the attached offering circular, you agree to be bound by the following terms and conditions of the Bonds, including any modifications to them from time to time, each time you receive any information from us as a result of such access. You acknowledge that the access to the Offering Circular is intended for use by you only and you agree you will not forward or otherwise provide access to any other person.

Confirmation of Your Representation: This offering circular is being sent to you at your request and by accepting the e-mail and accessing the attached offering circular, you shall be deemed to represent to the Managers (as defined in the Offering Circular) and the Issuer (as defined in the Offering Circular) that (1) the e-mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories or possessions; (2) to the extent you purchase the securities described in the attached offering circular, you will be doing so pursuant to Regulation S under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”); and (3) you consent to delivery of the attached offering circular and any amendments or supplements thereto by electronic transmission and agree to the terms set forth herein.

The attached offering circular has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Issuer, the Managers or the Agents (as defined in the attached offering circular) or any of their respective affiliates, directors, officers, employees, representatives, agents and each person who controls any of them nor any of their respective affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version.

Restrictions: Nothing in this electronic transmission constitutes, and may not be used in connection with, an offer or an invitation by or on behalf of any of the Issuer, the Managers or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them to subscribe or purchase any of the securities described therein, in any place where offers or solicitations are not permitted by law and access has been limited so that it shall not constitute in the United States or elsewhere directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Manager or any affiliate of a Manager is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Manager or such affiliate on behalf of the in such jurisdiction. Any securities to be issued in respect thereof will not be registered under the Securities Act and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from such registration. Access has been limited so that it shall not constitute a general solicitation in the United States or elsewhere. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

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

Important Notice to Prospective Investors

Prospective investors should be aware that certain intermediaries in the context of this offering of the Bonds, including certain Managers (as defined in the Offering Circular), are “capital market intermediaries” (“**CMIs**”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**SFC Code**”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (“**OCs**”) for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association (“**Association**”) with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the Bonds and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Manager or its group company has more than 50 per cent. interest, in which case it will be classified as a “**proprietary order**” and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such “**proprietary order**” may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “**proprietary order**”. If a prospective investor is otherwise affiliated with any Manager, such that its order may be considered to be a “**proprietary order**” (pursuant to the SFC Code), such prospective investor should indicate to the relevant Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “**proprietary order**”. Where prospective investors disclose such information but do not disclose that such “**proprietary order**” may negatively impact the price discovery process in relation to this offering, such “**proprietary order**” is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Managers and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. Failure to provide such information may result in that order being rejected.

Nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of the issuer of the securities or the Managers or the Agents to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Managers or any affiliate of the Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Managers or such affiliate on behalf of the issuer in such jurisdiction.

You are reminded that you have accessed the attached offering circular on the basis that you are a person into whose possession this offering circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you are not allowed to purchase any of the securities described in the attached.

Actions that You May Not Take: If you receive this document by e-mail, you should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “**Reply**” function on your e-mail software, will be ignored or rejected.

THE ATTACHED OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

Singapore Securities and Futures Act Product Classification: In connection with Section 309B of the SFA and the CMP Regulations 2018, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Bonds are “prescribed capital markets products” (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

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



GUANGZHOU DEVELOPMENT DISTRICT HOLDING GROUP LIMITED
(廣州開發區控股集團有限公司)

(Incorporated with limited liability in the People's Republic of China)

U.S.\$500,000,000 4.4 per cent. Bonds due 2027

Issue Price: 100.0 per cent.

The U.S.\$500,000,000 4.4 per cent. bonds due 2027 (the "Bonds") will be issued by Guangzhou Development District Holding Group Limited (廣州開發區控股集團有限公司) (the "Issuer"), a company incorporated in the People's Republic of China (the "PRC") with limited liability.

The Bonds will bear interest on their outstanding principal amount from and including 28 November 2025 (the "Issue Date") at the rate of 4.4 per cent. per annum, payable semi-annually in arrear on 28 May and 28 November in each year (each an "Interest Payment Date") commencing on 28 May 2026. Payments on the Bonds will be made without withholding or deduction for or on account of taxes of the PRC or any authority therein or thereof having power to tax to the extent described under "Terms and Conditions of the Bonds — Taxation".

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

Pursuant to the Administrative Measures for the Rule and Registration of Medium- and Long-term Foreign Debts of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) (the "NDRC New Rules") issued by the National Development and Reform Commission of the PRC (together with its local counterpart, the "NDRC") and effective from 10 February 2023 and any implementation rules, reports, certificates, approvals or guidelines as issued by the NDRC from time to time, the Issuer has registered the issuance of the Bonds with the NDRC and obtained a certificate (the "Pre-issuance Certificate") from the NDRC on 17 November 2025 evidencing such registration and undertakes to file or cause to be filed with the NDRC within ten PRC Business Days (as defined in the Terms and Conditions) after the Issue Date and the Issuer shall comply all the applicable measures of the NDRC Foreign Debt Measures.

Pursuant to the Administrative Measures for Foreign Debt Registration (外債登記管理辦法) (the "SAFE Measures") issued by the State Administration of Foreign Exchange of the PRC ("SAFE") effective on 13 May 2013 and any implementation rules, reports, certificates, approvals or guidelines as issued by SAFE from time to time, and the Notice on Issues Relating to Macro-prudential Management of Overall Cross-border Financing (中國人民銀行關於全口徑跨境融資宏觀審慎管理有關事宜的通知) (the "Cross-Border Financing Circular") promulgated by the People's Bank of China ("PBOC") and which came into effect on 12 January 2017 and any implementation rules, reports, certificates or guidelines as issued by PBOC from time to time, the Issuer undertakes that it will (i) within the prescribed time, register or cause to be registered with SAFE the Bonds (the "Foreign Debt Registration"), (ii) use its best endeavours to complete the Foreign Debt Registration and obtain a registration record from SAFE on or before the Registration Deadline (as defined in the Terms and Conditions) after the Issue Date and (iii) comply with all applicable PRC laws, regulations, rules, circulars, measures, notices and orders in relation to the Bonds, including but not limited to any related filing requirement under the NDRC Foreign Debt Measures, the Cross-Border Financing Circular and any implementing measures promulgated thereunder from time to time.

Unless previously redeemed, or purchased and cancelled, the Issuer will redeem each Bond at its principal amount on 28 November 2027 (the "Maturity Date"). The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (as defined below) (which notice shall be irrevocable), and in writing to the Trustee and the Principal Paying Agent (as defined in the Terms and Conditions), at their principal amount together with any interest accrued to but excluding the date fixed for redemption, if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that has or will become obliged to pay Additional Tax Amounts (as defined in the Terms and Conditions) as a result of any change in, or amendment to, the laws or regulations of Hong Kong or the PRC, or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 24 November 2025, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due. At any time following the occurrence of a Relevant Event (as defined in the Terms and Conditions), each holder of any Bond (each a "Bondholder") will have the right, at such holder's option, to require the Issuer to redeem all but not some only of that holder's Bonds on the Put Settlement Date (as defined in the Terms and Conditions) at 101 per cent. (in the case of a redemption for a Change of Control (as defined in the Terms and Conditions)) or 100 per cent. (in the case of a redemption for a No Registration Event (as defined in the Terms and Conditions)) of their principal amount, together with any accrued interest up to but excluding such Put Settlement Date. See "Terms and Conditions of the Bonds — Redemption and Purchase".

For a more detailed description of the Bonds, see "Terms and Conditions of the Bonds" beginning on page 65.

The Bonds will be issued in denominations of U.S.\$200,000 each and integral multiples of U.S.\$1,000 in excess thereof.

Investing in the Bonds involves risks. See "Risk Factors" beginning on page 14 for a discussion of certain factors to be considered in connection with an investment in the Bonds.

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

The Bonds are being issued as "Green Bonds" under the Green Finance Framework of the Issuer. See "Green Finance Framework" on page 91.

Fitch Ratings, Inc. ("Fitch") has assigned a corporate rating of "BBB+" with a stable outlook to the Issuer. The Bonds are expected to be rated "BBB+" by Fitch. Such ratings are only correct as at the date of this Offering Circular. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Application has been made to the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing of and quotation for the Bonds on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission of the Bonds to the Official List of the SGX-ST and quotation of the Bonds on the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries, its associated companies or the Bonds. The Bonds will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require.

Application will be made to The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") for the listing of, and permission to deal in, the Bonds by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) ("Professional Investors") only. This document is for distribution to Professional Investors only.

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

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

The Bonds will be represented initially by interests in a global certificate (the "Global Certificate") in registered form which will be registered in the name of a nominee of, and shall be deposited on or about the Issue Date with, a common depositary for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream"). Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described herein, certificates for Bonds will not be issued in exchange for interests in the Global Certificate.

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

CITIC Securities	Guotai Junan International	CNCB Capital	
Joint Lead Managers and Joint Bookrunners			
Bank of China	BOCOM International	CCB International	CEB International
China Industrial Securities International	China International Capital Corporation	China Securities International	CMB International
CMB Wing Lung Bank Limited	CMBC Capital	Haitong International	Hua Xia Bank Co., Limited Hong Kong Branch
Huatai International	Industrial Bank Co., Ltd. Hong Kong Branch	Shanghai Pudong Development Bank Hong Kong Branch	Shenwan Hongyuan (H.K.)
SMBC Nikko	Joint Green Structuring Advisors		Zhongtai International
CITIC Securities	Guotai Junan International		

Offering Circular dated 24 November 2025

NOTICE TO INVESTORS

This Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer and the Group. The Issuer accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

The SGX-ST assumes no responsibility for the contents of this Offering Circular, makes no representation as to the accuracy or completeness of the statements made or opinions expressed herein and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular. The Issuer accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The Issuer accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirms, having made all reasonable enquiries, that (i) this Offering Circular contains all material information with respect to the Issuer and the Issuer's other subsidiaries taken as a whole (collectively, the "**Group**") and the Bonds (including all information which, according to the particular nature of the Issuer, the Group, the Bonds, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Group and of the rights attaching to the Bonds), (ii) this Offering Circular does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading, (iii) the statements of fact contained in this Offering Circular relating to the Issuer, the Group and the Bonds are in every material respect true and accurate and not misleading, (iv) the statements of intention, opinion, belief or expectation contained in this Offering Circular are, honestly and reasonably made or held, and have been reached after considering all relevant circumstances and are based on reasonable assumptions; (v) all reasonable enquiries have been made to ascertain such facts and to verify the accuracy of all such statements; (vi) this Offering Circular does not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (vii) the statistical, industry and market-related data and forward-looking statements included in this Offering Circular are based on or derived or extracted from sources which each of the Issuer believes to be accurate and reliable in all material respects.

This Offering Circular has been prepared by the Issuer solely for use in connection with the proposed offering of the Bonds described in this Offering Circular. The distribution of this Offering Circular and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, CLSA Limited, Guotai Junan Securities (Hong Kong) Limited and CNCB (Hong Kong)

Capital Limited as joint global coordinators, joint bookrunners and joint lead managers, and Bank of China Limited, Singapore Branch, BOCOM International Securities Limited, CCB International Capital Limited, CEB International Capital Corporation Limited, China Industrial Securities International Brokerage Limited, China International Capital Corporation Hong Kong Securities Limited, China Securities (International) Corporate Finance Company Limited, CMB International Capital Limited, CMB Wing Lung Bank Limited, CMBC Securities Company Limited, Haitong International Securities Company Limited, Hua Xia Bank Co., Limited Hong Kong Branch, Huatai Financial Holdings (Hong Kong) Limited, Industrial Bank Co., Ltd. Hong Kong Branch, Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, Shenwan Hongyuan Securities (H.K.) Limited, SMBC Nikko Securities (Hong Kong) Limited and Zhongtai International Securities Limited as joint bookrunners and joint lead managers (together, the “**Managers**”) to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Bonds or the distribution of this Offering Circular in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Bonds and the circulation of documents relating thereto, in certain jurisdictions including the United States, the United Kingdom, the European Economic Area, Hong Kong, PRC, Singapore and Japan, and to persons connected therewith. For a description of certain further restrictions on offers, sales and resales of the Bonds and distribution of this Offering Circular, see “*Subscription and Sale*”.

No person has been or is authorised to give any information or to make any representation concerning the Issue or any of the Issuer’s subsidiaries or the Bonds other than as contained herein and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, the Managers, the Trustee or the Agents (in each case as defined in the Terms and Conditions of the Bonds) or any of their respective affiliates, directors, employees, agents or advisors. Neither the delivery of this Offering Circular nor any offering, sale or delivery made in connection with the issue of the Bonds shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer, the Group or any of them or since the date hereof or create any implication that the information contained herein is correct as at any date subsequent to the date hereof. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Managers, the Trustee or the Agents or any of their respective affiliates to subscribe for or purchase any of the Bonds and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

This Offering Circular is being furnished by the Issuer in connection with the offering of the Bonds exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider purchasing the Bonds. Investors must not use this Offering Circular for any other purpose, make copies of any part of this Offering Circular or give a copy of it to any other person, or disclose any information in this Offering Circular to any other person. The information contained in this Offering Circular has been provided by the Issuer and other sources identified in this Offering Circular. This Offering Circular may not be copied or reproduced in whole or in part. It may be distributed only to and its contents may be disclosed only to the prospective investors to whom it is provided. By accepting delivery of this Offering Circular each investor agrees to these restrictions.

No representation or warranty, express or implied, is made or given by the Managers, the Trustee or the Agents or any of their respective directors, officers, employees, affiliates, advisers or agents, as to the accuracy, completeness or sufficiency of the information contained in this Offering Circular, and nothing contained in this Offering Circular is, or shall be relied upon as a promise, representation or warranty by the Managers, the Trustee or the Agents or any of their respective directors officers, employees, affiliates, advisers or agents. To the fullest extent permitted by law, the Managers, the Trustee, the Agents and any of their respective directors, officers, employees, affiliates, advisers or agents do not accept any responsibility for the contents of this Offering Circular and assume no responsibility for the contents, accuracy, completeness or sufficiency of any such information or for any other statement, made or purported to be made by the Managers or on their behalf in connection with the Issuer, the Group or the issue and offering of the Bonds. Each of the Managers, the Trustee, the Agents and any of their respective directors, officers, employees, affiliates, advisers or agents accordingly disclaim all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of this Offering Circular or any statement herein. None of the Managers, the Trustee or any Agent undertakes to review the financial condition or affairs of the Issue or the Group after the date of this Offering Circular nor to advise any investor or potential investor in the Bonds of any information coming to the attention of the Managers, the Trustee or any Agent. None of the Managers, the Trustee nor any Agent has independently verified any of the information contained in this Offering Circular and can give no assurance that this information is accurate, truthful or complete. Each of the Managers, the Trustee, the Agents and any of their respective directors, officers, employees, affiliates, advisers or agents accordingly disclaims all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of the Offering Circular or any such statement. This Offering Circular is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation by any of the Issuer, the Group, the Managers, the Trustee or the Agents that any recipient of this Offering Circular should purchase the Bonds. Each potential purchaser of the Bonds should determine for itself the relevance of the information contained in this Offering Circular and its purchase of the Bonds should be based upon such investigations with its own tax, legal and business advisers as it deems necessary.

IN CONNECTION WITH THE ISSUE OF THE BONDS, ANY OF THE JOINT GLOBAL COORDINATORS APPOINTED AND ACTING IN ITS CAPACITY AS THE STABILISATION MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISATION MANAGER) (THE “STABILISATION MANAGER”) MAY OVER-ALLOT BONDS OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE PRICE OF THE BONDS AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL FOR A LIMITED PERIOD AFTER THE ISSUE DATE. HOWEVER, THERE IS NO OBLIGATION ON SUCH STABILISATION MANAGER TO DO THIS. SUCH STABILISATION IF COMMENCED MAY BE DISCONTINUED AT ANY TIME, AND MUST BE BROUGHT TO AN END AFTER A LIMITED PERIOD. SUCH STABILISATION SHALL BE IN COMPLIANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND RULES.

In making an investment decision, investors must rely on their own examination of the Issuer, the Group and the terms of the offering, including the merits and risks involved. See “*Risk Factors*” for a discussion of certain factors to be considered in connection with an investment in the Bonds. The Issuer, the Group, the Managers, the Trustee and the Agents

and their respective directors, officers, employees, advisers, agents or affiliates are not making any representation to any purchaser of Bonds regarding the legality of any investment in the Bonds by such purchaser under any legal investment or similar laws or regulations. The contents of this Offering Circular should not be construed as providing legal, business, accounting or investment advice.

Each person receiving this Offering Circular acknowledges that such person has not relied on the Managers, the Trustee or the Agents or any person affiliated with the Managers in connection with its investigation of the accuracy of such information or its investment decision.

Singapore Securities and Futures Act Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Bonds are “prescribed capital markets products” (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Listing of the Bonds on the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Issuer, the Group, their respective subsidiaries, their respective associated companies (if any), or the Bonds. In making an investment decision, investors must rely on their own examination of the Issuer, the Group and the terms of the offering of the Bonds, including the merits and risks involved. See “*Risk Factors*” for a discussion of certain factors to be considered in connection with an investment in the Bonds. None of the Issuer, the Group, the Managers, the Trustee, the Agents and their respective directors, officers, employees, agents, advisers or affiliates is making any representation to any purchaser of the Bonds regarding the legality of any investment in the Bonds by such purchaser under any legal investment or similar laws or regulations. The contents of this Offering Circular should not be construed as providing legal, business, accounting or investment advice. Each person receiving this Offering Circular acknowledges that such person has not relied on the Managers, the Trustee, the Agents or any of their respective affiliates in connection with its investigation of the accuracy of such information or its investment decision.

Market data and certain industry forecasts and statistics in this Offering Circular have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although the Issuer believes this information to be reliable, it has not been independently verified by the Issuer, the Managers, the Trustee or the Agents or their respective directors, advisors, employees, representatives, agents and affiliates, and none of the Issuer, the Managers, the Trustee or the Agents or their respective directors, affiliates, advisers, agents, representatives or employees makes any representation as to the accuracy or completeness of that information. Such information may not be consistent with other information compiled within or outside the PRC. In addition, third party information providers may have obtained information from market participants and such information may not have been independently verified. This Offering Circular summarises certain documents and other information, and investors should refer to them for a more complete understanding of what is discussed in those documents.

The contents of this Offering Circular have not been reviewed by any regulatory authority in any jurisdiction. Investors are advised to exercise caution in relation to the offer. If investors are in any doubt about any of the contents of this Offering Circular, investors should obtain independent professional advice.

Important Notice to Prospective Investors

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct — Important Notice to Prospective Investors: Prospective investors should be aware that certain intermediaries in the context of this offering of the Notes, including certain Managers, are “capital market intermediaries” (“**CMI**s”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**Code**”). This notice to prospective investors is a summary of certain obligations the Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (“**OC**s”) for this offering and are subject to additional requirements under the Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the Code as having an association (“**Association**”) with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed represent their bona fide demand, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Manager or its group company has a substantial interest, in which case it shall be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a “proprietary order”. If a prospective investor is otherwise affiliated with any Manager, such that its order may be considered to be a “proprietary order” (pursuant to the Code), such prospective investor should indicate to the relevant Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to this offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including Private Banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, record-keeping, use and transfer of such information by the Managers and/or any other third parties as may be required by the Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the Code, it being understood and agreed that such information shall only be used for the purpose of complying with the Code, during the bookbuilding and placing process for this offering. Failure to provide such information may result in that order being rejected.

PRESENTATION OF FINANCIAL INFORMATION

This Offering Circular contains consolidated financial information of the Issuer as at and for the years ended 31 December 2022, 2023 and 2024. The consolidated financial information of the Issuer as at and for the years ended 31 December 2022 and 2023 has been extracted from the audited consolidated financial statements of the Issuer as at and for the years ended 31 December 2023 (the “**2023 Audited Consolidated Financial Statements**”) and the consolidated financial information of the Issuer as at and for the year ended 31 December 2024 has been extracted from the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2024 (the “**2024 Audited Consolidated Financial Statements**, together with the 2023 Audited Consolidated Financial Statements, the “**Audited Consolidated Financial Statements**”) included elsewhere in this Offering Circular. The Group’s consolidated financial information as of and for the year ended 31 December 2023 included in the 2024 Audited Consolidated Financial Statements has been restated due to changes in accounting policies and correction of significant prior-period errors. For details of the new accounting policies, correction of significant prior-period errors and their impact on the Consolidated Financial Statements, please see “*Notes to the Financial Statements — V. Statement of Accounting Policies and Changes in Accounting Estimates and Corrections of Errors — 1. Changes in Accounting Policies and their Impact*” and “*Notes to the Financial Statements — V. Statement of Accounting Policies and Changes in Accounting Estimates and Corrections of Errors — 3. Correction of Significant Prior-period Errors and their Impact*” of the 2024 Audited Consolidated Financial Statements.

The 2023 Audited Consolidated Financial Statements were prepared and presented in accordance with the Accounting Standards for Business Enterprises in the PRC (the “**PRC GAAP**”) and have been audited by ShineWing Certified Public Accountants (LLP) (信永中和會計師事務所(特殊普通合夥)) (“**ShineWing**”), an independent auditor of the Issuer in accordance with Auditing Standards for Chinese Certified Public Accountants. The 2024 Audited Consolidated Financial Statements were prepared and presented in accordance with the PRC GAAP and have been audited by Grant Thornton Zhitong Certified Public Accounts LLP Guangzhou Branch (致同會計師事務所(特殊普通合夥)廣州分所) (“**Grant Thornton**”), an independent auditor of the Issuer in accordance with Auditing Standards for Chinese Certified Public Accountants.

This Offering Circular contains consolidated financial information of the Issuer as at and for the six months ended 30 June 2024 and 2025, which has been extracted from the unaudited but reviewed consolidated interim financial statements of the Issuer as at and for the six months ended 30 June 2025 (the “**Reviewed Interim Financial Statements**”, together with the Audited Consolidated Financial Statements, the “**Consolidated Financial Statements**”) included elsewhere in this Offering Circular. The Reviewed Interim Financial Statements have been prepared and presented in accordance with PRC GAAP and have been reviewed by Grant Thornton.

The Reviewed Interim Financial Statements have not been audited by a certified public accountant, and should not be relied upon by investors to provide the same quality of information associated with information that has been subject to an audit. Neither the Managers nor their respective directors, officers, employees, representatives, advisers, agents or affiliates makes any representation or warranty, express or implied, regarding the sufficiency of such unaudited consolidated financial statements for an assessment of, and potential investors must exercise caution when using such data to evaluate, the Group’s

financial condition and results of operations. In addition, the Issuer's Reviewed Interim Financial Statements should not be taken as an indication of the expected financial condition or results of operations of the Group for the full financial year ending 31 December 2025.

PRC GAAP is substantially in line with the International Financial Reporting Standards (“IFRS”), except for certain modifications which reflect the PRC's unique circumstances and environment. As advised by ShineWing and Grant Thornton, there are no material differences between PRC GAAP and IFRS with respect to the determination of the Group's financial position.

Some numerical figures included in this Offering Circular have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

CERTAIN DEFINITIONS, CONVENTIONS AND CURRENCY PRESENTATION

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to the “**PRC**” and “**China**” are to the People’s Republic of China (excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan); all references to the “**United States**” and “**U.S.**” are to the United States of America; all references to “**PRC government**” are to the people’s government of the PRC; all references to “**Hong Kong**” are to the Hong Kong Special Administrative Region of the People’s Republic of China; all references to “**Renminbi**”, “**RMB**” and “**CNY**” are to the lawful currency of the PRC; and all references to “**USD**”, “**U.S.\$**” and “**U.S. dollars**” are to the lawful currency of the United States of America.

This Offering Circular contains a translation of certain Renminbi amounts into U.S. dollars at specified rates solely for the convenience of the reader. Unless otherwise specified, where financial information in relation to the Issuer has been translated into U.S. dollars, it has been so translated, for convenience only, at the rate of RMB7.1636 to U.S.\$1.00 (the noon buying rate in New York City on 30 June 2025 as set forth in the weekly H.10 statistical release of the Federal Reserve Board of the Federal Reserve Bank of New York). Further information regarding exchange rate is set forth in “*Exchange Rates*” in this Offering Circular. No representation is made that the Renminbi amounts referred to in this Offering Circular could have been or could be converted into U.S. dollars at any particular rate or at all.

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

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

Unless the context otherwise requires, references to “**2022**”, “**2023**” and “**2024**” in this Offering Circular are to the years ended 31 December 2022, 2023 and 2024, respectively.

In this Offering Circular, unless otherwise indicated or the context otherwise requires, to the following terms shall have the meanings set out below:

- the “**Group**”, the “**Issuer**”, the “**Company**” and words of similar import refers to Guangzhou Development District Holding Group Limited (廣州開發區控股集團有限公司) itself, or to Guangzhou Development District Holding Group Limited (廣州開發區控股集團有限公司) and its consolidated subsidiaries, as the context requires;
- “**Hong Kong**” refers to the Hong Kong Special Administrative Region of the People’s Republic of China;
- the “**GDDAC**” refers to Guangzhou Economic and Technological Development District Administrative Committee (廣州經濟技術開發區管理委員會) or its local government entities and instrumentalities thereof, or where the context requires, any of them;

- “**Guangzhou Development District**” refers to Guangzhou Economic and Technological Development District, Guangzhou Export Processing Zone of Guangzhou High-tech Industrial Development Zone, Guangzhou Free Trade Zone, Sino-Singapore Guangzhou Knowledge City, collectively;
- “**MOF**” refers to the Ministry of Finance of the People’s Republic of China;
- “**MOFCOM**” refers to the Ministry of Commerce of the People’s Republic of China;
- “**NDRC**” refers to the National Development and Reform Commission of the People’s Republic of China or its competent local counterparts;
- “**PBOC**” refers to the People’s Bank of China, the central bank of the People’s Republic of China;
- the “**PRC government**” refers to the central government of the People’s Republic of China and its political subdivisions, including provincial, municipal and other regional or local government entities, and instrumentalities thereof, or where the context requires, any of them;
- “**SAC**” refers to the Securities Association of China;
- “**SAFE**” refers to the State Administration of Foreign Exchange of the People’s Republic of China or its competent local counterpart;
- “**SASAC**” refers to the State-owned Assets Supervision and Administration Commission of the People’s Republic of China;
- “**SAT**” refers to the State Administration of Taxation of the People’s Republic of China; and
- the “**State Council**” refers to the State Council of the People’s Republic of China.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains certain forward-looking statements. All statements other than statements of historical facts contained in this Offering Circular constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms, such as “anticipate”, “target”, “believe”, “can”, “would”, “could”, “estimate”, “expect”, “aim”, “intend”, “may”, “plan”, “will”, “would” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding expected financial condition and results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include but are not limited to statements as to the business strategy, operating income and profitability, planned projects and other matters as they relate to the Group discussed in this Offering Circular regarding matters that are not historical fact. These forward-looking statements and any other projections contained in this Offering Circular (whether made by the Group or by any third party) involve known and unknown risks, including those disclosed under the caption “Risk Factors”, assumptions, uncertainties and other factors that may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward-looking statements speak only as at the date of this Offering Circular. The Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Group’s expectations with regard thereto or any change of events, conditions or circumstances, on which any such statement was based.

The factors that could cause the actual results, performances and achievements of the Group or any member of the Group to be materially different include, among others:

- risks associated with the Group’s business activities;
- the Group’s ability to implement its business strategies and plans of operation;
- the Group’s ability to expand and manage its growth;
- the Group’s financial condition and results of operations;
- access and cost of capital and financing;
- changes in the competition landscape in the industries in which the Group operates;
- general economic and political conditions, including those related to the PRC, Guangzhou or Guangzhou Development District;
- any changes in the laws, rules and regulations of the PRC government and the GDDAC and the rules, regulations and policies of the relevant governmental authorities relating to the Group’s business;
- changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, including those pertaining to the PRC and the industry and markets in which the Group operates;

- macroeconomic measures taken by the PRC government to manage economic growth;
- natural disasters, industrial action, terrorist attacks and other events beyond the Group's control;
- changes in global economic conditions; and
- other factors, including those discussed in the "Risk Factors" section of this Offering Circular.

Neither the Group undertakes any obligation to update or revise publicly any of the opinions or forward-looking statements expressed in this Offering Circular as a result of any new information, future events or otherwise.

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SUMMARY

This summary does not contain all the information that may be important to prospective investors in deciding to invest in the Bonds. Prospective investors should read the entire Offering Circular, including the section entitled “Risk Factors” and the financial statements and related notes thereto, before making an investment decision.

OVERVIEW

The Group is a leading state-owned financial service and investment platform in Guangzhou, Guangdong Province. The Group manages state capital and upgrades industry in Guangzhou Development District on behalf of the GDDAC. Established on 6 November 1998, 91.06% of the Company’s equity interest is directly owned by the GDDAC, which is the Company’s controlling shareholder, with the remaining 8.94% of the Company’s equity interest directly owned by the Department of Finance of Guangdong Province. Leveraging the strong government support and its revenue generating capability, the Group has achieved growth momentum, recorded strong operating performance over the past few years and played an important role in the planning and construction of Guangzhou Development District. As at 31 December 2022, 2023 and 2024 and 30 June 2025, the Group’s total assets were RMB130,847.8 million, RMB151,379.1 million, RMB159,793.8 million and RMB165,268.4 million, respectively, and its net assets were RMB46,694.1 million, RMB52,702.6 million, RMB44,564.5 million and RMB41,178.3 million, respectively. The Group has been ranked among China’s Top 500 Service Enterprises for four consecutive years.

The Group has developed a diversified business portfolio. The Group manages its operations and investment in seven business segments and the following is an overview:

- **Heat and Power Supplies.** The Group conducts its heat and power supplies business, which is a state-owned listed company focuses on power generation and central heating business, mainly through its subsidiary, Guangzhou Hengyun Enterprises Holding Ltd. (“**Guangzhou Hengyun**”) and Guangzhou Suikai Electric Co., Ltd. (廣州穗開電業有限公司) (“**Suikai Electric**”). As at 30 June 2025, the total installed capacity of the Group’s power plants was 3.09 GW, comprising installed capacity of coal- and gas-fired power plants of 2.04 GW and installed capacity of centralised solar PV of 1.05 GW. As at 30 June 2025, the energy storage capacity of the Group was 0.36 GWh and clean-energy amounted for more than two-thirds of the Group’s energy portfolio. For the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025, the Group generated from its heat and power supplies business operating revenues of RMB3,673.9 million, RMB4,704.1 million, RMB4,333.0 million, RMB2,181.0 million and RMB2,151.1 million, respectively, representing 39.3%, 33.1%, 34.7%, 42.0% and 36.0%, respectively, of the Group’s total operating income.
- **Project Construction and Management.** The Group’s project construction and management business includes the leasing of commercial properties and comprehensive management services for the properties developed by the Group. For the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, the Group generated from its project construction and management business operating revenues of RMB855.0 million, RMB1,070.8 million, RMB924.0 million, RMB492.4 million and RMB562.8 million, respectively, representing 9.2%, 7.5%, 7.4%, 9.5% and 9.4%, respectively, of the Group’s total operating income.

- ***Science Park Construction and Management.*** The Group's science park construction and management business includes the development and construction of science parks, commercial office buildings that are complementary to the operation of science parks and residential complexes. For the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025, the Group generated from its science park construction and management business operating revenues of RMB144.0 million, RMB1,462.9 million, RMB513.0 million, RMB22.6 million and RMB82.6 million, respectively, representing 1.5%, 10.3%, 4.1%, 0.4% and 1.4%, respectively, of the Group's total operating income.
- ***Financial Services.*** The Group's financial services business includes securities business, financial leasing and financing guarantee. For the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025, the Group generated from its financial services business operating revenues of RMB1,385.5 million, RMB1,166.1 million, RMB1,164.7 million, RMB529.4 million and RMB593.8 million, respectively, representing 14.8%, 8.2%, 9.3%, 10.2% and 9.9%, respectively, of the Group's total operating income.
- ***Bio-medicine.*** The Group's bio-medicine business involves the sale of in vitro diagnostic products, diagnostic equipment and biochemicals. For the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025, the Group generated from its bio-medicine business operating revenues of RMB675.9 million, RMB422.7 million, RMB336.4 million, RMB172.1 million and RMB139.3 million, respectively, representing 7.2%, 3.0%, 2.7%, 3.3% and 2.3%, respectively, of the Group's total operating income.
- ***High-end Equipment Manufacturing.*** The Group conducts its high-end equipment manufacturing business mainly through Taisheng Wind, a listed company recently acquired by the Group in 2022. Taisheng Wind primarily engages in the manufacture, sale and installation of equipment, accessories and parts for generating wind power, such as wind towers, for both onshore and offshore wind power generation projects. For the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025, the Group generated from its high-end equipment manufacturing business operating revenues of RMB1,972.2 million, RMB4,781.5 million, RMB4,837.8 million, RMB1,626.3 million and RMB2,298.5 million, respectively, representing 21.1%, 33.6%, 38.7%, 31.3% and 38.5%, respectively, of the Group's total operating income.
- ***Other Businesses.*** The Group's other businesses mainly include fund investment, information technology services and other ancillary business. For the year ended 31 December 2022, 2023 and 2024 and for the six months ended 30 June 2024 and 2025, the Group generated from its other businesses operating revenues of RMB637.9 million, RMB604.1 million, RMB384.7 million, RMB172.5 million and RMB146.3 million, respectively, representing 6.8%, 4.3%, 3.1%, 3.3% and 2.5%, respectively, of the Group's total operating income.

For the years ended 31 December 2022, 2023, 2024 and for the six months ended 30 June 2024 and 2025, the Group's total operating income was RMB9,344.6 million, RMB14,212.1 million, RMB12,493.7 million, RMB5,196.3 million and RMB5,974.4 million, respectively.

COMPETITIVE STRENGTHS

The Group believes that the competitive strengths outlined below are important to its success and future development:

- Full-scale and strong support from the GDDAC;
- Diversified sources of funding and strong credit position;
- Prudent risk management and sound investment risk management systems;
- Experienced management team with extensive industry knowledge and management expertise; and
- Rigorous and sound management system that runs through every phase of the investment cycle.

BUSINESS STRATEGIES

The Group aims to maintain its leading position as an investment platform and financial services provider with strong ability to serve the development of Guangzhou Development District. The Group's goal is to grow its financial investment portfolio, park construction and management, licensed financial business and to become the flagship financial holding group in the Guangdong-Hong Kong-Macao Greater Bay Area. Staying true to guiding principles of developing greater consciousness of the need to maintain political integrity, thinking in big-picture terms, following the leadership core, and keeping in alignment, and fostering stronger confidence in the path, theory, system, and culture of socialism with Chinese characteristics, the Group will strive to modernize and deepen the reformation of its management structure to enhance and improve its capabilities in financial and technology innovation and real economy servicing. The Group intends to focus on the following business strategies:

- Build a flagship operator of strategic emerging industries by synergising technology-driven financial service capability, technology strategic investment capability and technology-park operation capability;
- Establish a strategic emerging industry operation flagship that synergizes core sectors;
- Continue to develop the Group's financial and investment business and promote financial innovation;
- Continue to develop the Group's heat and power supplies business and improve its operating efficiency;
- Adhere to prudent financial management with stringent risk control; and
- Continue to build a professional management team and further improve corporate governance.

RECENT DEVELOPMENTS

Financial information as at and for the six months ended 30 September 2025

As at 30 September 2025, as compared to the balance as at 31 December 2024, the Group recorded an increase in its total assets. As at 30 September 2025, as compared to the balance as at 31 December 2024, the Group recorded a decrease in its total current liabilities and an increase in its total non-current liabilities, primarily due to the development of the Group's business.

For the nine months ended 30 September 2025, the Group recorded an increase in its operating income, non-operating revenue, operating profit and net profit as compared to the same period in 2024. The Group's non-operating expenses for the nine months ended 30 September 2025 increased compared with the corresponding period in 2024, primarily due to the comprehensive renovation and upgrade of commercial plaza.

The Group's financial information as at and for the nine months ended 30 September 2025 is not included in and does not form part of this Offering Circular and has not been reviewed or audited. None of the Joint Lead Managers (or any of their respective affiliates, directors, officers, employees, representatives, advisers, agents and each person who controls any of them) makes any representation or warranty, express or implied, regarding the accuracy of such financial information or its sufficiency for an assessment of the Group's financial condition and results of operations. Potential investors must exercise caution when using such financial information to evaluate the Group's financial condition and results of operations. Such information should not be taken as an indication of the Group's expected financial condition or results of operations as at and for the full financial year ending 31 December 2025. See "*Risk Factors — Risks relating to the Group's Business and Industry — The Company published and may continue to publish periodical financial information in the PRC pursuant to applicable PRC regulatory rules. Investors should be cautious and not place any reliance on the financial information other than that disclosed in this Offering Circular.*"

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

The summary audited consolidated financial information of the Issuer as at and for the years ended 31 December 2022, 2023 and 2024 and as at and for the six months ended 30 June 2024 and 2025 set forth below is extracted from and should be read in conjunction with the Audited Consolidated Financial Statements and the Reviewed Consolidated Financial Statements, each of which is included elsewhere in this Offering Circular.

The 2023 Audited Consolidated Financial Statements were prepared and presented in accordance with PRC GAAP and have been audited by ShineWing, the independent auditors of the Issuer. The 2024 Audited Consolidated Financial Statements were prepared and presented in accordance with PRC GAAP and have been audited by Grant Thornton, the independent auditors of the Issuer. The Reviewed Consolidated Financial Statements were prepared and presented in accordance with PRC GAAP and have been reviewed by Grant Thornton in accordance with the Chinese Certified Public Accountant Review Standard No. 2101 — Review of Financial Statements. As the Reviewed Consolidated Financial Statements have not been audited by a certified public accountant, they should not be relied upon by investors to provide the same quality of information associated with information that has been subject to an audit. None of the Managers, the Trustee, the Agents or any of their respective affiliates, directors, officers, agents, employees, representatives or advisers or any person who controls any of them makes any representation or warranty, express or implied, regarding the accuracy, completeness and sufficiency of the Reviewed Consolidated Financial Statements for an assessment of, and potential investors must exercise caution when using such data to evaluate the Group's financial condition or results of operations. In addition, the Reviewed Consolidated Financial Statements should also not be taken as an indication of the expected financial condition or results of operations of the Group for the full financial year ending 31 December 2025.

The consolidated financial information of the Issuer as at and for the year ended 31 December 2023 has been extracted from the 2023 Audited Consolidated Financial Statements and the corresponding information (including total assets and net assets) included in the 2024 Audited Consolidated Financial Statements has been restated due to changes in accounting policies and correction of significant prior-period errors. For details of the new accounting policies, correction of significant prior-period errors and their impact on the Consolidated Financial Statements, please see “Notes to the Financial Statements — V. Statement of Accounting Policies and Changes in Accounting Estimates and Corrections of Errors — 1. Changes in Accounting Policies and their Impact” and “Notes to the Financial Statements — V. Statement of Accounting Policies and Changes in Accounting Estimates and Corrections of Errors — 3. Correction of Significant Prior-period Errors and their Impact” of the 2024 Audited Consolidated Financial Statements.

As advised by ShineWing and Grant Thornton, PRC GAAP is substantially in line with IFRS, except for certain modifications which reflect the PRC's unique circumstances and environment. For a summary of those differences, see “Summary of Certain Differences between PRC GAAP and IFRS”.

The summary financial information below should be read in conjunction with the Group's consolidated financial statements and the notes thereto included elsewhere in this Offering Circular.

SUMMARY CONSOLIDATED INCOME STATEMENT OF THE ISSUER

	Year ended 31 December			For the six months ended 30 June	
	2022	2023	2024	2024	2025
	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>
	(Audited)	(Audited)	(Audited)	(Reviewed)	(Reviewed)
Operating income	8,089,770.5	13,119,640.1	11,369,427.3	4,671,956.5	5,382,902.5
Interest income	702,023.6	620,193.9	636,762.6	330,176.0	345,689.0
Handling charges and commissions income	552,761.0	472,230.9	487,542.1	194,144.6	245,797.5
Total operating income	<u>9,344,555.2</u>	<u>14,212,064.9</u>	<u>12,493,732.1</u>	<u>5,196,277.1</u>	<u>5,974,389.0</u>
Operating costs	(7,061,791.6)	(10,072,307.8)	(9,149,389.0)	(3,662,392.2)	(4,220,281.2)
Interest expenses	(191,129.2)	(220,339.5)	(234,482.9)	(118,282.5)	(118,223.9)
Handling charges and commissions expenses	(119,669.1)	(93,187.6)	(105,277.8)	(42,504.7)	(73,033.0)
Taxes and surcharges	(184,980.6)	(294,768.7)	(254,888.8)	(91,436.8)	(106,501.8)
Selling and distribution expenses	(260,635.1)	(303,909.5)	(271,409.2)	(123,646.3)	(133,165.1)
General and administrative expenses	(1,590,079.8)	(1,625,486.0)	(1,562,687.3)	(700,295.7)	(733,847.0)
Research and development expenses	(288,382.8)	(404,495.7)	(326,576.5)	(150,244.5)	(102,095.8)
Financial expenses	(2,097,247.6)	(1,751,119.7)	(2,456,832.5)	(1,065,035.6)	(1,244,454.1)
Total operating costs	<u>(11,793,915.9)</u>	<u>(14,765,614.4)</u>	<u>(14,361,544.1)</u>	<u>(5,953,838.4)</u>	<u>(6,731,601.9)</u>
Other income	127,211.2	185,370.6	205,794.2	81,907.9	50,886.0
Investment income	1,251,964.4	1,660,076.1	2,062,316.2	951,925.0	1,432,552.9
Gains from changes in fair value	348,440.5	61,764.4	(522,823.3)	(868,621.8)	302,883.1
Credit impairment losses	(166,120.4)	(174,733.5)	(97,296.9)	(30,135.3)	18,792.3
Impairment losses	(51,159.7)	(40,868.2)	(296,112.6)	(211.8)	(124,315.8)
Gains from assets disposal	91,122.1	868.5	(19,197.2)	(489.7)	(709.3)
Operating profit	<u>(847,902.7)</u>	<u>1,138,928.4</u>	<u>(535,131.7)</u>	<u>(623,187.1)</u>	<u>922,876.2</u>
Add: Non-operating revenue	24,205.5	21,260.5	31,199.4	9,913.5	13,587.2
Non-operating expenses	(80,446.5)	(224,288.9)	(244,780.8)	(19,064.7)	(155,827.6)
Profit before income tax	<u>(904,143.7)</u>	<u>935,900.0</u>	<u>(748,713.0)</u>	<u>(632,338.2)</u>	<u>780,635.8</u>
Income tax expenses	(67,237.6)	(253,703.8)	(206,309.6)	24,385.7	(103,352.3)
Net profit for the period	<u>(971,381.3)</u>	<u>682,196.2</u>	<u>(955,022.6)</u>	<u>(607,952.5)</u>	<u>677,283.5</u>
Other comprehensive income, net of tax	(16,363.1)	161,025.2	70,203.5	55,016.1	(28,272.6)
Total comprehensive income for the period	<u>(987,744.4)</u>	<u>843,221.4</u>	<u>(884,819.1)</u>	<u>(552,936.4)</u>	<u>649,010.9</u>

SUMMARY CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE ISSUER

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>
	(Audited)	(Audited)	(Audited)	(Reviewed)
Current assets:				
Cash at bank and on hand	19,220,313.3	21,379,335.1	19,411,986.4	25,088,643.7
Deposit reservation for balance	968,222.3	1,222,163.9	1,500,895.4	1,430,020.7
Financial assets held for trading	8,040,825.2	13,769,690.3	10,794,882.8	13,355,790.1
Derivative financial assets	—	—	174.0	11.9
Bills receivable	104,314.6	123,991.0	336,244.0	263,802.4
Accounts receivable	3,261,379.0	3,909,235.3	4,329,092.1	4,034,453.8
Accounts receivable financing	145,409.7	247,938.4	125,342.4	428,270.9
Prepayments	364,449.6	377,146.3	295,402.5	253,198.5
Other receivables	12,565,019.0	11,799,616.1	9,423,650.8	8,062,841.7
Financial assets purchased under resale agreements	369,145.2	319,490.0	398,177.8	144,761.0
Inventories	12,141,200.9	13,368,965.8	16,518,780.9	17,640,861.2
Contract assets	—	—	244,038.5	336,389.2
Non-current assets due within one year	325,637.0	49,639.7	253,055.6	49,790.2
Other current assets	5,423,039.7	6,649,365.3	9,419,688.5	9,555,105.1
Total current assets	<u>62,928,955.3</u>	<u>73,216,577.2</u>	<u>73,051,411.6</u>	<u>80,643,940.4</u>
Non-current assets:				
Debt investments	374,933.8	322,490.0	166,400.0	163,200.0
Other debt investments	5,237,808.0	6,354,730.6	6,501,639.0	5,772,364.9
Long-term receivables	1,811,406.9	1,810,415.5	406,201.7	648,431.4
Long-term equity investments	13,131,540.3	13,764,032.4	17,654,153.6	17,907,991.7
Other equity instruments investments	1,620,686.7	2,721,404.9	3,440,488.8	3,477,099.4
Other non-current financial assets	7,597,775.7	9,002,768.8	9,862,045.8	7,523,396.0
Investment properties	16,749,307.7	18,672,243.0	17,409,874.0	23,214,136.9
Fixed assets	7,839,291.9	10,758,624.9	12,110,386.4	15,002,270.9
Construction in progress	3,738,239.3	4,739,811.5	8,676,427.7	1,726,174.3
Right-of-use assets	1,265,755.3	1,253,321.9	1,256,044.4	1,289,288.7
Intangible assets	1,325,194.0	1,653,306.2	2,513,965.3	1,405,592.8
Development costs	436.6	2,941.2	3,341.4	3,550.1
Goodwill	3,034,817.6	3,021,652.9	2,759,015.2	2,643,012.0
Long-term deferred expenses	211,118.9	237,349.3	232,828.9	199,103.8
Deferred tax assets	1,325,186.7	1,330,842.6	1,427,183.0	1,465,230.0
Other non-current assets	2,655,379.9	2,516,622.2	2,322,345.4	2,183,576.6
Total non-current assets	<u>67,918,879.2</u>	<u>78,162,557.7</u>	<u>86,742,340.6</u>	<u>84,624,419.6</u>
Total assets	<u>130,847,834.5</u>	<u>151,379,134.9</u>	<u>159,793,752.2</u>	<u>165,268,360.0</u>

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
	(Audited)	(Audited)	(Audited)	(Reviewed)
Current liabilities:				
Short-term loans	9,126,706.3	11,287,664.0	11,326,966.6	10,437,269.8
Financial liabilities held for trading	29,200.8	2,270.4	3,167.6	22,043.2
Derivative financial liabilities	209,625.8	24,042.9	33,115.3	32,292.7
Bills payables	1,686,629.4	1,916,558.4	1,970,282.2	2,015,200.4
Accounts payables	2,156,054.2	2,727,728.5	3,440,571.4	3,293,377.5
Advances from customers	32,208.9	3,499.9	3,518.6	3,301.7
Contract liabilities	519,994.8	773,548.1	595,175.6	1,097,772.2
Disposal of repurchased financial assets	2,603,628.2	4,094,508.5	4,146,863.3	3,862,835.9
Funds received as agent of stock exchange	5,082,048.1	5,027,252.3	8,148,244.0	8,833,873.3
Employee benefits payable	385,240.2	460,273.7	439,005.2	422,721.7
Taxes payable	771,920.2	281,700.8	313,003.0	275,787.1
Other payables	2,956,065.4	2,510,036.6	3,527,650.8	2,894,678.9
Non-current liabilities due within one year	11,543,960.0	9,990,861.0	16,964,593.3	13,086,443.9
Other current liabilities	2,031,476.8	5,194,658.5	8,021,071.0	7,568,603.6
Total current liabilities	39,134,759.2	44,294,603.7	58,933,228.1	53,846,201.9
Non-current liabilities:				
Long-term loans	18,578,861.6	24,736,327.8	21,602,899.0	27,612,073.7
Bonds payable	22,101,223.9	25,239,414.0	29,630,302.3	37,428,077.2
Lease liabilities	1,074,270.1	1,102,698.4	1,112,684.1	1,195,978.5
Long-term payables	1,258,608.8	1,182,390.3	1,612,154.5	1,690,330.8
Long-term employee benefits payable	45,710.0	35,089.6	31,056.3	30,997.3
Provisions	216,347.0	195,048.5	180,119.9	231,834.6
Deferred income	255,226.7	236,881.8	221,767.2	212,798.1
Deferred tax liabilities	1,405,064.0	1,502,718.7	1,501,486.4	1,436,917.1
Other non-current liabilities	83,706.3	151,393.6	403,536.9	404,810.0
Total non-current liabilities	45,019,018.4	54,381,962.8	56,296,006.6	70,243,817.2
Total liability	84,153,777.6	98,676,566.6	115,229,234.7	124,090,019.1
Shareholder's equity:				
Paid-in capital	10,363,233.8	11,484,950.3	11,484,950.3	11,591,344.4
Other equity instruments	3,348,857.7	8,498,857.7	8,800,000.0	5,000,000.0
Capital reserves	7,774,189.6	6,975,987.2	6,393,819.5	6,285,561.5
Other comprehensive income	282,925.8	376,613.5	423,596.7	410,140.9
Specific reserve	—	—	2,021.6	2,278.9
General risk provisions	63,122.8	69,837.6	84,977.4	84,977.4
Retained earnings	1,488,477.1	1,177,509.6	(716,038.6)	(582,398.5)
Total equity attributable to shareholders of the Company	23,320,806.9	28,583,756.0	26,473,326.9	22,791,904.6
Non-controlling interests	23,373,250.0	24,118,812.4	18,091,190.5	18,386,436.2
Total shareholder's equity	46,694,056.9	52,702,568.3	44,564,517.5	41,178,340.8
Total liabilities and shareholder's equity	130,847,834.5	151,379,134.9	159,793,752.2	165,268,360.0

SUMMARY CONSOLIDATED CASH FLOW OF THE ISSUER

	Year ended 31 December			For the six months ended 30 June	
	2022	2023	2024	2024	2025
	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>
	(Audited)	(Audited)	(Audited)	(Reviewed)	(Reviewed)
Net cash flows from operating activities .	203,421.4	(55,894.8)	(3,668.0)	(409,695.5)	183,393.9
Net cash flows from investing activities .	(2,037,427.6)	(12,687,900.0)	(3,631,035.6)	(1,288,768.3)	1,573,108.8
Net cash flows from financing activities .	1,019,968.3	15,183,914.6	1,131,789.7	564,105.5	4,244,184.0
Effect of foreign exchange rate changes on cash and cash equivalents	<u>(40,767.9)</u>	<u>(52,257.7)</u>	<u>(10,538.1)</u>	<u>(1,919.9)</u>	<u>(3,533.3)</u>
Net increase in cash and cash equivalents.	(854,805.8)	2,387,862.2	(2,513,452.1)	(1,136,278.1)	5,997,153.4
Cash and cash equivalents at the beginning of the period	<u>20,343,464.7</u>	<u>19,488,658.8</u>	<u>21,876,521.0</u>	<u>21,876,521.0</u>	<u>19,363,068.9</u>
Cash and cash equivalent at the end of the period	<u>19,488,658.8</u>	<u>21,876,521.0</u>	<u>19,363,068.9</u>	<u>20,740,242.9</u>	<u>25,360,222.3</u>

THE ISSUE

The following contains summary information about the Bonds and is qualified in its entirety by the remainder of this Offering Circular. Some of the terms described below are subject to important limitations and exceptions. Words and expressions defined in “Terms and Conditions of the Bonds” and Overview of the Platform and Clearing, Settlement and Operational Information” shall have the same meanings in this summary. For a more complete description of the terms of the Bonds, see “Terms and Conditions of the Bonds”.

Issuer	Guangzhou Development District Holding Group Limited (廣州開發區控股集團有限公司).
Issuer Legal Entity Identifier (“LEI”) . . .	300300QQG6PN8Y25MV22.
Trustee	China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司).
Principal Paying Agent, Registrar and Transfer Agent.	China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司).
Issue	U.S.\$500,000,000 4.4 per cent. Bonds due 2027.
Issue Date	28 November 2025.
Issue Price	100.0 per cent.
Specified Denomination	The Bonds will be issued in the specified denomination of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.
Interest	The Bonds will bear interest on their outstanding principal amount from and including 28 November 2025, at the rate of 4.4 per cent. per annum, payable semi-annually in arrear on 28 May and 28 November in each year, commencing on 28 May 2026.
Maturity Date	28 November 2027.
Clearing Systems.	The Bonds will be represented initially by the Global Certificate in registered form, which will be registered in the name of a nominee of, and deposited on the Issue Date with, a common depositary for Euroclear and Clearstream. Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described in this Offering Circular, certificates for the Bonds will not be issued in exchange for beneficial interests in the Global Certificate.

Status of the Bonds . . . The Bonds constitute direct, unsubordinated, unconditional and (subject to Condition 4(a) of the Terms and Conditions) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves.

The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable laws and regulations, at all times rank at least equally with all the Issuer's other present and future unsecured and unsubordinated obligations.

Negative Pledge The Bonds will contain a negative pledge provision as further described in Condition 4(a) of the Terms and Conditions.

Events of Default The Bonds will contain certain events of default as further described in Condition 9 of the Terms and Conditions.

Cross-Default The Bonds are subject to a cross-default provision in respect of present or future indebtedness for or in respect of moneys borrowed or raised or any guarantee and/or indemnity thereof of the Issuer or of any of its Subsidiaries which in aggregate equals or exceeds U.S.\$35,000,000 or its equivalent. See Condition 9(c) of the Terms and Conditions.

Taxation All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Bonds shall be made without set-off or counterclaim and free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Hong Kong or the PRC or, in each case, any political subdivision or authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay (except in certain circumstances set out in Condition 8 of the Terms and Conditions) such additional amounts as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required. See "*Terms and Conditions of the Bonds — Taxation*".

**Redemption for
Taxation Reasons**

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice to the Bondholders (which notice shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount together with any interest accrued to but excluding the date fixed for redemption, if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay Additional Tax Amounts (as defined in the Terms and Conditions) as a result of any change in, or amendment to, the laws or regulations of Hong Kong or the PRC, or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 24 November 2025, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due, as further described in “*Terms and Conditions of the Bonds — Redemption and Purchase — Redemption for Taxation Reasons*”.

**Redemption for
Relevant Events**

At any time following the occurrence of a Relevant Event, a Bondholder will have the right, at such Bondholder’s option, to require the Issuer to redeem all, but not some only of such Bondholder’s Bonds on the Put Settlement Date (as defined in Condition 6(c) of the Terms and Conditions) at 101 per cent. (in the case of a redemption for a Change of Control) or 100 per cent. (in the case of a redemption for a No Registration Event) of their principal amount, together with accrued interest up to but excluding the Put Settlement Date.

Final Redemption

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on the Maturity Date.

Further Issues

The Issuer may from time to time without the consent of the Bondholders create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date, the first payment of interest on them and the timing for compliance with the requirements set out in Terms and Conditions in relation to the NDRC Post-issue Filing (as defined in the Terms and Conditions) and the Foreign Debt Registration (as defined in the Terms and Conditions)) so as to be consolidated and form a single series with the outstanding Bonds, as the case may be, as further described in Condition 15 of the Terms and Conditions.

ISIN and Common Code	ISIN: XS3239909305.
Common Code:	323990930.
Governing Law	<p>The Bonds will be governed by, and construed in accordance with, English law.</p> <p>The courts of Hong Kong are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Bonds.</p>
Listing	<p>Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange by way of debt issues to Professional Investors only and it is expected that the permission to deal in, and listing of, the Bonds on Hong Kong Stock Exchange will commence on 1 December 2025.</p> <p>Application has been made to the SGX-ST for the listing of and quotation for the Bonds on the Official List of the SGX-ST.</p> <p>The Bonds will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require.</p>
Selling Restrictions . . .	See “ <i>Subscription and Sale</i> ”.
Ratings	Fitch has assigned a corporate rating of “BBB+” with a stable outlook to the Issuer. The Bonds are expected to be rated “BBB+” by Fitch. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Use of Proceeds	See “ <i>Use of Proceeds</i> ”.

RISK FACTORS

Any investment in the Bonds is subject to a number of risks. Prior to investing in the Bonds, prospective investors should carefully consider risk factors associated with any investment in the Bonds, the Group's business and the industries in which the Group operates together with all other information contained in this Offering Circular, including, in particular the risk factors described below. Words and expressions defined in the section titled "Terms and Conditions of the Bonds" or elsewhere in this Offering Circular have the same meanings in this section.

The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Bonds and should be used as guidance only. Additional risks and uncertainties relating to us that are not currently known to us or that they currently deem immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, prospects, results of operations and/or financial position and, if any such risk should occur, the price of the Bonds may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Bonds is suitable for them in light of the information in this Offering Circular and their personal circumstances.

RISKS RELATING TO THE GROUP'S BUSINESS AND INDUSTRY

The Group's business, financial condition, results of operations and prospects are heavily dependent on the level of economic activity in Guangdong Province, in particular Guangzhou.

The Group's major businesses are concentrated in Guangzhou, in particular Guangzhou Development District. Therefore, its business, financial condition, results of operations and prospects have been, and will continue to be, heavily dependent on the social conditions, local government policies and level of economic activity in Guangzhou, in particular Guangzhou Development District. Guangzhou and Guangzhou Development District have experienced a prolonged period of rapid economic growth. Guangzhou's gross domestic product achieved sustained growth from RMB2,883.9 billion in 2022 to RMB3,103.3 billion in 2024. Guangzhou Development District's gross domestic product reached approximately RMB364.5 billion in 2022, RMB431.5 billion in 2023 and further grew to approximately RMB390.8 billion in 2024. However, it is uncertain that the economy of Guangzhou and Guangzhou Development District will continue to be maintained at historical growth rates.

The economy of the PRC experienced rapid growth in the past 30 years. There has been a slowdown in the growth of the PRC's gross domestic product since the second half of 2013 and this has raised market concerns that the historic rapid growth of the economy of the PRC may not be sustainable. According to the National Statistics Bureau of the PRC, the annual growth rate of China's gross domestic product was 3.0%, 5.2% and 5.0% in 2022, 2023 and 2024, respectively. It is difficult to predict how the economic development of Guangzhou and Guangzhou Development District will be affected by a slowdown in the growth of the PRC economy, and there can be no assurance that the policies and measures adopted by the PRC government will be effective in stimulating the recovery of the PRC economy.

The future prospects of the economy of the PRC as well as the areas where the Group operates depend on many different factors, most of which are beyond the Group's control. It is difficult to predict how the economic development of Guangzhou and Guangzhou

Development District will be affected by such slowdown and pressure in the PRC economy growth. Therefore, there can be no assurance that the pace of economic development in Guangzhou and Guangzhou Development District will continue to be maintained at the past rate of growth, if at all. It is expected that the Group's future business and operations will continue to be concentrated in Guangzhou and Guangzhou Development District. Continued slowdown in the economic growth in the PRC may materially adversely affect the fiscal income and financial condition of Guangzhou as well as its plans and budgets for city construction and development. This may in turn result in the decrease of the demand for its business and adversely affect the Group's business, financial condition, results of operations and prospects. *See "Risks relating to the Group's Other Businesses — General economic and market conditions could materially and adversely affect the business of the Group" for more details.*

The Guangzhou Economic and Technological Development District Administrative Committee can exert significant influence on the Group and could cause the Group to make decisions or modify the scope of its activities or impose new obligations on the Group that may not be in the Group's best interests.

As at the date of this Offering Circular, as a state-owned enterprise, 91.06% of the Company's equity interest is directly owned by the GDDAC, with the remaining 8.94% of the Company's equity interest directly owned by the Department of Finance of Guangdong Province. Therefore, the GDDAC, as the Company's controlling shareholder, is in a position to significantly influence the Group's major business decisions and strategies, including the scope of its activities, development and investment decisions and dividend policy. The GDDAC may use its ability to influence the Group's business in a manner that may not be in the Group's best interests. Government authorities may, without prior notice or consent from the Group, implement changes to existing policies and plans or implement new policies and plans, which may adversely affect the Group's operations and financial condition. Furthermore, if the GDDAC decides to reorganise or consolidate the Group's assets, it could cause a disruption in the Group's workforce and operations. For example, certain projects invested in by the Group are public interest projects and the investment in which may not be in the Group's best interests.

The GDDAC may change its policies, intentions, preferences, views, expectations, projections, forecasts and opinions as a result of changes in the economic, political and social environments, and its projections of population and employment growths. Any amendment, modification or repeal could modify the existing regulatory regime and materially and adversely affect the Group's business, financial condition, results of operations and prospects.

The Group has received support from the GDDAC including both financial support and policy support, the loss or reduction of such supports could adversely affect the Group's operations and financial results, and the repayment of the Bonds remain the sole responsibility of the Group.

The Group's business is capital-intensive and receives significant financial support from the GDDAC, including direct financial support in the form of capital injection, government subsidies and certain other favourable policies, and the Group heavily relies on such support to fund its operations and generate profits. For the years ended 31 December 2022, 2023 and 2024 and for the six months ended 30 June 2025, the Group received government subsidies from the GDDAC and other governmental institutions in the amount of

RMB408.9 million, RMB423.3 million, RMB676.3 million and nil, respectively. Please refer to “*Description of the Group — Competitive Strengths — Full-scale and strong support from the GDDAC*” for further details.

There can be no assurance that the GDDAC will continue to provide support to the Group or that the government grants, equity injections, capital contributions, asset transfers, injection of property ownership rights, preferential tax treatment, other financial support or other types of government support will not be adjusted or terminated due to changes in government policy or otherwise. If favourable government grants, equity injections, capital contributions, asset transfers, injection of property ownership rights, preferential tax treatment or other incentives or support which are currently available to the Group are reduced or eliminated in the future, the business, financial condition and results of operations of the Group will be materially and adversely affected, and there can be no assurance that such funding sources will provide the Group with a sufficient amount of capital in a timely manner.

The detailed description of the relationships between the Group and the GDDAC in this Offering Circular does not imply in any way any explicit or implicit credit support of the GDDAC in respect of the Bonds. Any ownership or control by the PRC government and the GDDAC does not necessarily correlate to, or provide any assurance as to, the Group’s financial condition. As such, the PRC government and the GDDAC do not have any payment obligations under the Bonds. The Bonds are solely to be repaid by the Issuer, as an obligor under the relevant transaction documents and as an independent legal person.

Therefore, investors should base their investment decision only on the financial condition of the Group and base any perceived credit risk associated with an investment in the Bonds only on the Group’s financial information reflected in its financial statements.

The Group has substantial indebtedness and may incur additional indebtedness in the future, which could adversely affect its future strategy and operations and its ability to generate sufficient cash to satisfy its outstanding and future debt obligations.

The Group has significant outstanding indebtedness as a result of its expansion to more business areas and resulting fundraising needs. As at 30 June 2025, the Group had total interest-bearing indebtedness of RMB99,672.9 million (including short-term loans of RMB10,437.3 million, interest-bearing indebtedness among non-current borrowings due within one year of RMB13,086.4 million, interest-bearing indebtedness among other payables of RMB902.1 million, interest-bearing indebtedness among other current borrowings of RMB7,370.4 million, long-term loans of RMB27,612.1 million, bonds payable of RMB37,428.1 million, interest-bearing indebtedness among long-term payables of RMB1,306.1 million, interest-bearing indebtedness among other non-current liabilities of RMB334.4 million and lease liabilities of RMB1,196.0 million).

The Group may incur additional indebtedness and continuing liabilities in the future, including the issuance of debt securities or entering into financing or other loan arrangements. The level of existing indebtedness and incurrence of further indebtedness could have important consequences to the Group’s business, including:

- increasing the Group’s vulnerability to adverse general economic and industry conditions;

- requiring the Group to dedicate a substantial portion of its cash flows from operations to servicing and repaying its indebtedness, thereby reducing the availability of its cash flows to fund working capital, capital expenditures and other general corporate purposes;
- limiting the Group's ability to capture investment and/or acquisition opportunities and inhibiting its ability to grow and expand its business;
- adding to the Group's interest exposure as a proportion of its costs of doing business;
- limiting the Group's flexibility in planning for or reacting to changes in its businesses and the industries in which it operates;
- reducing the Group's competitiveness compared to its competitors that have less debt; and
- increasing the costs of additional financing.

Creditors of the Group's subsidiaries would have a claim on the Group's subsidiaries' assets that would be prior to the claims of the Group's creditors. As a result, the payment obligations under the Group's indebtedness and liabilities will be effectively subordinated to all existing and future obligations of the Group's subsidiaries, and all claims of creditors of the Group's subsidiaries, will have priority as to the assets of such entities over the Group's claims and those of its creditors.

In addition, the Group continually reviews its current and expected future funding requirements and evaluates and engages in discussions with financial institutions and other market participants, from time to time, on proposals regarding different sources of funding. In incurring indebtedness and liabilities from time to time, members of the Group may create security over their assets, receivables or equity interests in companies or entities held by them (which may include the Group's subsidiaries) in favour of the relevant creditors. Examples of security interests given by the Group include fixed charges, pledges and mortgages which have been created on the assets, receivables and equity interests of some members within the Group. Should any of such secured indebtedness become immediately due and payable as a result of any default in payment or the occurrence of other events of default as defined under the relevant secured indebtedness, the relevant secured creditors would be entitled to take enforcement actions against such secured assets, receivables and equity interests. The secured creditors might take over the relevant members' titles to the secured assets, receivables and equity interests or sell them through auction. In such an event, the value of the Group's assets portfolio will diminish and fewer assets, receivables and/or equity interests will be available for distribution to unsecured creditors if the relevant members are in liquidation. If any member of the Group incurs additional debt, the risks that the Group faces as a result of its already substantial indebtedness and leverage could intensify.

Also, if the Group or the relevant subsidiaries are unable to comply with the restrictions (including restrictions on the Group's future investments) and covenants in its current or future debt obligations and other agreements, a default under the terms of such agreements may occur. In the event of a default under such agreements, the holders of the debt could terminate their commitments to the Group or its subsidiaries, accelerate the debt and declare all amounts borrowed due and payable or terminate the agreements, as the case may

be. Some of the financing arrangements entered into by the Group and its subsidiaries may contain cross-acceleration or cross-default provisions. As a result, a default by the Group or any of its subsidiaries under any of such agreements may cause the acceleration of repayment of not only such debt but also other debts, or result in a default under other debt agreements. If any of these events occurs, there can be no assurance that the assets and cash flows of the Group or its subsidiaries would be sufficient to repay in full all of their respective debts as they become due, or that the Group or its subsidiaries would be able to find alternative financing. Even if the Group and its subsidiaries could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to the Group or, as the case may be, its subsidiaries.

The Group's receivables may affect the Group's liquidity and restrict the Group's business activities.

As at 31 December 2022, 2023 and 2024 and 30 June 2025, the Group's accounts receivable amounted to RMB3,261.4 million, RMB3,909.2 million, RMB4,329.1 million and RMB4,034.5 million, respectively. As at 31 December 2022, 2023 and 2024 and 30 June 2025, the Group's other receivable amounted to RMB12,565.0 million, RMB11,799.6 million, RMB9,423.7 million and RMB8,062.8 million, respectively. There are inherent risks associated with ability and willingness of the Group's counterparties with respect to these accounts receivable and other receivables to make timely payments, and their failure to make timely payments could materially and adversely affect the Group's liquidity and in turn affect its business, financial condition or results of operations.

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

The Group may be exposed to fraud or other misconduct committed by its employees, representatives, agents, customers or other third parties that could subject it to financial losses and sanctions imposed by governmental authorities, which in turn affect its reputation. These misconducts could include:

- hiding unauthorised or unsuccessful activities, resulting in unknown and unmanaged risks or losses;
- intentionally concealing material facts, or failing to perform necessary due diligence procedures designed to identify potential risks, which are material to the Group in deciding whether to make investments or dispose of assets;
- improperly using or disclosing confidential information;
- recommending products, services or transactions that are not suitable for the Group's customers;
- misappropriating funds;
- conducting transactions that exceed the authorised limits;
- engaging in misrepresentation or fraudulent, deceptive or otherwise improper activities when marketing or selling products;

- engaging in unauthorised or excessive transactions to the detriment of the Group’s customers;
- making or accepting briberies;
- conducting inside dealing; or
- otherwise not complying with applicable laws or the Group’s internal policies and procedures.

The Group’s internal control procedures are designed to monitor its operations and ensure overall compliance. However, such internal control procedures may be unable to identify all incidents of noncompliance or suspicious transactions in a timely manner if at all. Furthermore, it is not always possible to detect and prevent fraud and other misconduct, and the precautions the Group takes to prevent and detect such activities may not be effective. There is no assurance that fraud or other misconduct will not occur in the future. If such fraud or other misconduct does occur, it may have material adverse effect on the Group’s operations, business prospects or financial performance or cause negative publicity for the Group.

The Group is exposed to litigation risks.

The Group may from time to time be involved in disputes with customers, governmental entities, contractors, suppliers, employees and other third party service providers during the course of its daily operations. Claims may be brought against members of the Group based on a number of causes such as breach of contract or fiduciary duties, defective or incomplete work, personal injuries, property damages, breach of warranty or delay in completion and delivery projects. In addition, the Group may bring claims against the customers for non-performance of contract, or against the project contractors for additional costs incurred as a result of the contractors’ underperformance or non-performance, project defects or default by the contractors. If the disputes or claims are not resolved or settled through negotiation or mediation, the Group may be involved in lengthy and costly litigation or arbitration proceedings, which may distract the Group’s financial and managerial resources. In the event that the Group prevails in those legal proceedings, there is no assurance that the judgement or awards will be effectively enforced. If a judgment or award is rendered against the Group, the amounts that are payable or losses that could not be recovered by the Group may not be fully covered by the Group’s insurance, and the amounts could differ from the provisions made by the Group based on its estimates. For example, as at the date of this Offering Circular, a subsidiary of the Group, Beijing Leadman Biochemistry Co., Ltd. (北京利德曼生化股份有限公司) (“**Beijing Leadman**”) is involved in a lawsuit in Hong Kong for an amount of approximately USD8.9 million in relation to an equity dispute. As at the date of this Offering Circular, there are still pending lawsuits against Guangzhou Hengyun with approximately RMB100 million in damages claimed. Any material charges associated with claims brought against the Group and material write-downs associated with the Group’s claims could have a material adverse impact on its financial condition, results of operations and cash flow. Please see “*Description of the Group — Legal and Regulatory Proceeding*” for further details.

The Group's business operations may be negatively affected by the guarantees it provides to third parties.

The Group provides guarantees to certain companies which are not subsidiaries of the Group. These companies are principally associated companies of the Group and other commercially significant companies. As at 30 June 2025, the total amount of external guarantees provided by the Group is RMB505.6 million, representing approximately 1.23 per cent. of the Group's net assets. The ability of these third party borrowers to meet their payment obligations is beyond the Group's control. If any of these third parties defaults on the borrowings guaranteed by the Group, the relevant lenders may accelerate the debt and declare all amounts borrowed due and payable or terminate the agreements, as the case may be. The relevant lenders may also initiate legal proceedings directly against the Group to enforce these guarantees. In any such case, the Group's business, financial condition and results of operations may be materially and adversely affected.

The Group had recorded negative cash flows from operating activities in the past.

The Group had reported negative net cash flows from operating activities in the past. For the years ended 31 December 2023 and 2024 and for the six months ended 30 June 2024, the Group reported negative net cash flows from operating activities of approximately RMB55.9 million, RMB3.7 million and RMB409.7 million, respectively. The Group's negative net cash flow from operating activities for the year ended 31 December 2023 was mainly due to higher payments for land-appreciation tax on property sales, final settlement of project taxes and other tax items, and reduced project cash collections caused by market volatility in 2023. Even though the Group's net cash flows from operating activities for the year ended 31 December 2024 increased as compared to 2023 and the Group recorded positive net cash flow from operating activities of approximately RMB183.4 million for the six months ended 30 June 2025, there can be no assurance that the Group will be able to improve its financial performance or sustain profitability in the future. Although the Group believes that such phenomenon is consistent with the Group's business expansion and growth, negative operating cash flows may constrain the Group's working capital, which may materially and adversely affect the Group's business, financial condition and results of operation. In addition, continued negative cash flow from operating activities may affect the Group's ability to obtain new financing on acceptable terms or at all, which may materially and adversely affect the value of the Bonds.

The Group's operating profit may fluctuate significantly from period to period and the Group incurred operating loss and net loss in the past.

The Group's operating profit fluctuated and may continue to fluctuate from period to period. The Group's operating profit amounted to approximately RMB1,138.9 million and RMB922.9 million for the years ended 31 December 2023 and the six months ended 30 June 2025, respectively. The Group suffered operating loss in the amount of RMB847.9 million, RMB535.1 million and RMB623.2 million, and net loss in the amount of RMB971.4 million, RMB955.0 million and RMB608.0 million, respectively, for the years ended 31 December 2022 and 2024 and the six months ended 30 June 2024. Such fluctuations were mainly attributable to reasons including the decrease of property sales due to the real estate market downturn, the fair value loss in the relevant periods, the increase of interest expenses due to the increase of investment in new productivity businesses in 2024, the

fluctuation of the Group's investment income in the relevant periods, and the bad debt provision made due to the default of the onshore bonds of Cedar Industrial Group Co., Ltd. (雪松實業集團有限公司) (“**Cedar Industry**”).

The Group's investment income accounts for a material portion of its operating profit, and fluctuations in the Group's investment income directly affect the Group's operating profit. The Group's investment income amounted to approximately RMB1,252.0 million, RMB1,660.1 million, RMB2,062.3 million, RMB951.9 million and RMB1,432.6 million for the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, respectively.

The Group's operating profit is also affected by a number of factors, such as general economic conditions, local market conditions and demand, government policies and incentive measures in business areas where the Group operates, adjustment of the Group's primary business activities, the Group's ability to develop and complete projects on time, as well as its accounting policies for revenue recognition. Even though the Group recorded an operating profit of approximately RMB922.9 million for the six months ended 30 June 2025, there can be no assurance that the Group will be able to improve its financial performance or sustain profitability in the future. The Group's operating income for any period may not be directly comparable with other periods and therefore the historical performance of the Group may not be a useful indicator of its future performance. The fluctuation of the Group's operating income also leads to the fluctuation of the Group's net profits, which may materially and adversely affect the Group's debt-paying ability.

The Group may be unsuccessful in integrating and managing current or future investments and/or acquisitions, and there are risks associated with any material acquisitions by the Group.

The Group from time to time considers investment and acquisition opportunities that may complement its core business portfolio and capabilities, and assist in expanding the market share of its core business operations. For example, in June 2022, Guangzhou GET Investment Holdings Co., Ltd (廣州凱得投資控股有限公司) (“**GET Investment Holding**”), a wholly-owned subsidiary of the Company, completed the acquisition of 26.9% of the issued share capital of Shanghai Taisheng Wind Power Equipment Co., Ltd (上海泰勝風能裝備股份有限公司) (“**Taisheng Wind**”) for a total consideration of RMB1,621.4 million and became the controlling shareholder of Taisheng Wind.

The ability of the Group's operations to grow by investments in and/or acquisitions of its target businesses is dependent upon, and may be limited by, the availability of attractive projects, its ability to agree commercial, technical and financing terms to the satisfaction of the Group and obtaining required approvals from relevant regulatory authorities. Such investments and/or acquisitions may also expose the Group to potential difficulties that could prevent it from achieving the strategic objectives for the investments and/or acquisitions or the anticipated levels of profitability from the investments and/or acquisitions. These difficulties include:

- diversion of management's attention from the Group's existing businesses;
- increases in the Group's expenses and working capital requirements, which may reduce its return on invested capital;

- difficulty of expanding into markets in different geographic locations and challenges of operating in markets and industries that the Group does not have substantial experience in;
- increases in debt, which may increase the Group's finance costs as a result of higher interest payments;
- exposure to unanticipated contingent liabilities to acquired businesses; and
- difficulties in integrating acquired businesses or investments into the Group's existing operations, which may prevent it from achieving, or may reduce, the anticipated synergies.

Accordingly, there is no assurance that the Group will be able to successfully integrate Taisheng Wind or any other acquired business or investment or that the above difficulties would not arise and result in a material and adverse impact on the Group's business, prospects, financial condition or results of operations. Furthermore, although the Group believes that Taisheng Wind will in future be a core part of the Group's business and that Taisheng Wind's financial results will enhance the Group's overall financial condition and results of operations, there can be no assurance that such objectives will be met.

In addition, where the Group invests in joint ventures where it may not have management control over its investments, there can be no assurance that such joint ventures will operate smoothly or successfully, if at all. Even if the Group is the controlling shareholder of the joint ventures, there can also be no assurance that joint venture partners or minority shareholders will act in a way which is consistent with the interest of the Group and be able and willing to fulfil their obligations under the relevant joint venture or other agreements. For example, as a result of failure to meet financial target, Beijing Leadman, as the controlling shareholder of the two joint ventures, namely Desai Diagnostic System (Shanghai) Co., Ltd. (德賽診斷系統(上海)有限公司) and Desai Diagnostic Products (Shanghai) Co., Ltd. (德賽診斷產品(上海)有限公司), was requested by the minority shareholders of the two joint ventures to purchase all the equity interests they held in the two joint ventures pursuant to certain agreements with the total consideration of RMB0.15 billion. The administrative registration for such minority shareholders' exit was completed in December 2022.

Also, during the course of any material acquisition transactions, such as the acquisition of Taisheng Wind, the Group typically conducts due diligence investigations with respect to the target companies, but the due diligence with respect to any acquisition opportunity may not reveal all relevant facts that are necessary or useful in evaluating such opportunity, which could subject the Group to unknown financial, legal and other risks and liabilities. When determining the consideration for any acquisition, the Group will consider various factors, including but not limited to the quality of the target business, estimated costs associated with the acquisition and the management of the target business, prevailing market conditions and intensity of competition. The Group is unable to predict whether there will be any target suitable for acquisition or when any suitable acquisition opportunities could arise. In the event that the Group enters into any letter of intent or agreement for any material acquisition after the issue of the Bonds, the market price and the trading volume of the Bonds may be adversely affected.

The Group operates in multiple businesses through a number of subsidiaries and associated companies, and this business structure exposes the Group to challenges not faced by companies with a single or small number of businesses.

The Issuer is a holding company and operates in multiple industries through its subsidiaries and associated companies. The Group focuses on seven principal segments of business, namely, (i) heat and power supplies, (ii) project construction and management, (iii) science park construction and management, (iv) financial services, (v) bio-medicine, (vi) high-end equipment manufacturing and (vii) other businesses. As such, the Group is exposed to risks associated with multiple businesses.

The Group is exposed to business, market and regulatory risks relating to different industries and markets, and may from time to time expand its businesses to new industries and markets in which it has limited operating experience. Such expansion may require the Group to devote substantial resources to become familiar with, and monitor changes in, different operating environments so that it can succeed in its businesses.

In addition, successful operation of the Group's subsidiaries and associated companies requires an effective management system. As the Group continues to grow its businesses, and expand into various industries, the Group's operations may become more complex, which would increase the difficulty of implementing its management system.

The Group provides direct funding, guarantees and other support to certain of its subsidiaries and associated companies. For instance, the Group provides shareholder loans to, or acts as a guarantor for the borrowings of, certain subsidiaries. If a subsidiary or associated company defaults on any borrowings lent or guaranteed by the Group, the Group will not receive the repayment as planned or the relevant lender may exercise its right under the guarantee to demand repayment from the Group. The occurrence of either of these types of events may result in a funding shortage at the Group level and may materially and adversely affect the business, financial condition, results of operations or prospects of Group.

The Group's right to occupy and use some of the Group's land and buildings is subject to legal uncertainties.

The Group faces several legal uncertainties in relation to the Group's continued occupation of some of the land and properties for which it has not obtained the requisite land use rights certificates, building ownership certificates and other approvals. The Group's rights in relation to such properties and land, including the rights of occupation, utilisation, profit and disposal, may not be recognised and protected under the PRC law until the Group obtains the relevant title certificates. In addition, the Group may be subject to penalties for occupying land in the absence of the land use rights certificates and may be required to return the land to its previous owner, demolish and remove buildings constructed on the land, restore the land to its original condition, or turn over the buildings to the local PRC government.

The Group's business may be adversely affected if it is unable to retain and hire qualified employees.

The success of the Group's business is dependent to a large extent on its ability to attract and retain key personnel who possess in-depth knowledge and understanding of investment, as well as the industries in which the Group invests or operates. These key personnel include members of the Group's senior management, experienced investment managers and finance professionals, project development and management personnel, legal professionals, risk management personnel, information technology and other operation personnel. Competition for attracting and retaining these individuals is intensive. Such competition may require the Group to offer higher compensation and other benefits in order to attract and retain qualified professionals, which could materially and adversely affect the Group's financial condition and results of operations. As a result, the Group may be unable to attract or retain these personnel to achieve its business objectives and the failure to do so could severely disrupt its business and prospects. For example, the Group may not be able to hire enough qualified personnel to support its new investment projects or business expansion. As the Group expands its business or hires new employees, the employees may take time to get accustomed to any new standard procedures and consequently may not comply with the standard procedures of any new business in an accurate and timely manner. The occurrence of any of the events discussed above could lead to unexpected loss to the Group and adversely affect its financial condition and results of operations.

There has been increased scrutiny of PRC public accountants, and there can be no assurance that there will not be further negative news about the Group's independent auditors.

In recent years, as part of an effort to improve effective regulatory oversight, PRC regulators have increased their examinations of PRC public accountants. As a result, auditors in the PRC have been subject to more frequent examinations by regulatory authorities such as China Securities Regulatory Commission ("CSRC"). The CSRC's investigations are mainly focused on the independence of the auditors, the appropriateness of the implementation of accounting standards, the adequacy of professional scepticism in the audit process and the reasonableness of the judgement made by the auditors.

ShineWing, the Group's independent auditors for the year of 2023, is a registered accounting firm in the PRC supervised by the relevant PRC regulatory authorities, including the Ministry of Finance of the People's Republic of China and the CSRC. During the past few years, regulatory authorities including CSRC's local counterparts announced certain administrative measures (the "**CSRC Administrative Decisions and Warnings**"), such as admonition, against ShineWing in relation to its services provided to certain companies. Such CSRC Administrative Decisions and Warnings include but not limited to the followings: (i) Decision on Issuing a Warning Letter to ShineWing, Song Gang, and Zhang Hang, issued by the CSRC Beijing Office dated 14 January 2025; (ii) Decision on Issuing a Warning Letter to ShineWing, Zhuang Ruilan, and Liu La, issued by the CSRC Tibet Office dated 23 December 2024 and (iii) Decision on Issuing a Warning Letter to ShineWing, Xiong Weihong, and Lin Huaixiang, issued by the CSRC Chongqing Office dated 17 October 2024. ShineWing has confirmed that they have taken the required rectification measures. As of the date of this Offering Circular, ShineWing is not being suspended with respect to any part of its business.

However, there can be no assurance that there will not be any new investigations against ShineWing, or what the results or impact of such investigations will be. Furthermore, it is uncertain whether there would be additional negative news about ShineWing and whether such negative news would have a material and adverse effect on the Group or the offering. Moreover, ShineWing may have performed audit for companies that are later subject to sanctions or administrative warnings, which might subject ShineWing to investigations. If ShineWing is found to be disqualified or deficient in performing its audit tasks, it may adversely affect investors' confidence in companies and financial statements audited by it. Prospective investors should consider these factors prior to making any investment decisions.

Grant Thornton, the Group's independent auditors for the year of 2024 and 2025, is a registered accounting firm in the PRC supervised by the relevant PRC regulatory authorities, including the Ministry of Finance of the People's Republic of China and the CSRC. During the past few years, CSRC Administrative Decisions and Warnings such as admonition, against Grant Thornton in relation to its services provided to certain companies. Such CSRC Administrative Decisions and Warnings include but not limited to the followings: (i) Decision on Issuing a Warning Letter to Grant Thornton and certified public accountants Jiang Xiaoming and Hu Xin, issued by the CSRC Shenzhen Office dated 8 August 2025; (ii) Decision on Issuing a Warning Letter to Grant Thornton and signing certified public accountants Yang Hua and Deng Jinchao, issued by the CSRC Inner Mongolia Office dated 28 July 2025 and (iii) Decision on Issuing a Warning Letter to Grant Thornton and certified public accountants Cao Yang and Zhang Zhiwei, issued by the CSRC Jiangsu Office dated 24 April 2025. Grant Thornton has confirmed that they have taken the required rectification measures. As of the date of this Offering Circular, Grant Thornton is not being suspended with respect to any part of its business.

However, there can be no assurance that there will not be any new investigations against Grant Thornton, or what the results or impact of such investigations will be. Furthermore, it is uncertain whether there would be additional negative news about Grant Thornton and whether such negative news would have a material and adverse effect on the Group or the offering. Moreover, Grant Thornton may have performed audit for companies that are later subject to sanctions or administrative warnings, which might subject Grant Thornton to investigations. If Grant Thornton is found to be disqualified or deficient in performing its audit tasks, it may adversely affect investors' confidence in companies and financial statements audited by it. Prospective investors should consider these factors prior to making any investment decisions.

Certain accounting items in the Group's financial statements may not be comparable to the financial information in the Group's consolidated financial statements for the previous periods.

The consolidated financial information of the Issuer as at and for the year ended 31 December 2023 has been extracted from the 2023 Audited Consolidated Financial Statements and the corresponding information (including total assets and net assets) included in the 2024 Audited Consolidated Financial Statements has been restated due to changes in accounting policies and correction of significant prior-period errors. For details of the new accounting policies, correction of significant prior-period errors and their impact on the Consolidated Financial Statements, please see “Notes to the Financial Statements — V. Statement of Accounting Policies and Changes in Accounting Estimates and Corrections of Errors — 1. Changes in Accounting Policies and their Impact” and “Notes to the Financial

Statements — V. Statement of Accounting Policies and Changes in Accounting Estimates and Corrections of Errors — 3. Correction of Significant Prior-period Errors and their Impact” of the 2024 Audited Consolidated Financial Statements.

As a result, the Group’s consolidated financial information as of and for the year ended 31 December 2024 in the 2024 Audited Consolidated Financial Statements is not directly comparable to the Group’s consolidated financial information as of and for the years ended 31 December 2022 and 2023 in the 2023 Audited Consolidated Financial Statements. Accordingly, potential investors must exercise caution when using such data to evaluate the Group’s results of operations and financial condition.

The Group’s Consolidated Financial Statements have been prepared and presented in accordance with PRC GAAP, which are different from IFRS in certain respects. The Group’s Consolidated Financial Statements included in this Offering Circular have been prepared and presented in accordance with PRC GAAP. PRC GAAP differs in certain respects from IFRS. Please see “*Summary of Certain Differences between PRC GAAP and IFRS*” for details. Each investor should consult its own professional advisers for an understanding of the differences between PRC GAAP and IFRS and/or between PRC GAAP and other generally accepted accounting principles, and how those differences might affect the financial information contained herein.

Historical consolidated financial information of the Group may not be indicative of its current or future results of operations.

The historical financial information of the Group included in this Offering Circular is not indicative of its future financial results. The financial information is not intended to represent or predict the Group’s results of operations of any future periods. The Group’s future results of operations may change materially if its future growth deviates from the historical trends for various reasons, including factors beyond its control, such as the uncertainties in the global and PRC economy, PRC environmental rules and regulations and the competitive landscape of the industries in which the Group operates its businesses. The Group may also acquire businesses or companies or dispose of its subsidiaries or assets from time to time in accordance with the Group’s business objectives. Period-to-period comparisons of the Group’s historical operating results must be evaluated in light of the impact of any such transactions.

Any public assets should not be taken into account when evaluating the Group’s business, financial condition, results of operations and prospects.

According to the Circular of the National Development and Reform Commission and the Ministry of Finance on Improvement of Market Regulatory Regime and Strict Prevention of Foreign Debt Risks and Local Government Indebtedness Risks (國家發展改革委財政部關於完善市場約束機制嚴格防範外債風險和地方債務風險的通知) (發改外資[2018]706號) (the “**Circular 706**”) promulgated on 11 May 2018, assets of an issuer of medium and long-term foreign debt should be of good quality with clear ownership rights. It further provides that any public assets such as public schools, public hospitals, cultural facilities, parks, public squares, office buildings of government departments and institutions, municipal roads, non-toll bridges, non-operating water conservancy facilities, no-charge pipe network facilities and other public interest assets and the usage rights of reserve land cannot be counted towards an issuer’s assets for reporting purposes during the course of issuing medium and long-term foreign debt (“**Public Assets**”).

In particular, prospective investors should not take into account the Group's Public Assets when assessing the Group's businesses, financial conditions, results of operations and prospects as the Group's Public Assets cannot be utilised to discharge any obligations of the Group, including the repayment of any amount under the Bonds. The Group has certain public welfare assets including but not limited to reservoir usage right, municipal buildings, municipal roadways, land use rights and others. As at 31 December 2022, 2023 and 2024 and 30 June 2025, the ending balance of the Group's non-operating assets amounted to RMB147.4 million, RMB176.2 million, RMB181.1 million and RMB181.2 million, respectively, accounting for 0.1 per cent., 0.1 per cent., 0.1 per cent. and 0.1 per cent. of the Group's total assets as at the same date, respectively. It is unclear whether the Group's public welfare assets constitute Public Assets within the meaning of Circular 706 as the interpretation and implementation of these circulars involve uncertainties.

Nevertheless, the Group's public welfare assets have not been excluded from the Group's consolidated financial statements included elsewhere in this Offering Circular. Potential investors must therefore exercise caution when using such consolidated financial statements to evaluate the Group's businesses, financial conditions, results of operations and prospects.

The Group's restricted assets may limit the Group's capacity to obtain future financing on favourable terms, which could result in a material adverse effect on the Group's business, financial condition and results of operations.

The Group's borrowings may be secured. Third-party security rights may limit the Group's use of the underlying collateral assets and adversely affect its operational efficiency. As at 30 June 2025, the restricted assets of the Group were RMB17,649.2 million. The Group's restricted assets consist of cash at bank and on hand, bills receivable, accounts receivable, inventories, fixed assets, intangible assets, construction in progress, investment property, financial assets held for trading, other debt financing, other non-current assets and long-term equity investments. In the event of default, the proceeds from the sales of the restricted assets will be used to pay off these loans prior to other unsecured creditors such as the Bondholders. In addition, the presence of a large amount of restricted assets may also limit the Group's capacity to obtain future financing on favourable terms, which could result in a material adverse effect on the Group's business, financial condition and results of operations.

Certain facts and statistics in this Offering Circular are derived from publications not independently verified by the Company, the Managers or their respective advisers.

This Offering Circular contains facts and statistics relating to the economy of the PRC, Guangdong Province, Guangzhou and the industries in which the Group operates. While the Company has taken reasonable care to select reputable and reliable information sources and ensure that the facts and statistics relating to the relevant economies and the industries in which the Group operates presented are accurately extracted from such sources, such facts and statistics have not been independently verified by the Company, the Managers or their respective advisers and, therefore, none of them makes any representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside the PRC. Due to ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon.

The Company published and may continue to publish periodical financial information in the PRC pursuant to applicable PRC regulatory rules. Investors should be cautious and not place any reliance on the financial information other than that disclosed in this Offering Circular.

The Company from time to time issues debt and equity securities in the domestic capital markets in the PRC. According to applicable PRC securities regulations on the capital markets, the Company needs to publish its quarterly, semi-annual and annual financial information to satisfy its continuing disclosure obligations relating to its debt securities issued in the domestic capital markets. After the Bonds are issued, the Company is obligated by the terms of the Bonds, among others, to provide holders of the Bonds with its audited financial statements and certain unaudited periodical financial statements. The quarterly and semi-annual financial information published by the Group in the PRC is normally derived from the Group's management accounts which have not been audited or reviewed by independent auditors. As such, this financial information published in the PRC should not be referred to or relied upon by potential purchasers to provide the same quality of information associated with any audited or reviewed information. The Company is not responsible to holders of the Bonds for the unaudited and unreviewed financial information from time to time published in the PRC and therefore investors should not place any reliance on any such financial information.

Public corporate disclosure about the Company may be limited.

As the Company is a private company, there may be less publicly available information about the Company than is regularly made available by public companies in certain other countries.

RISKS RELATING TO THE GROUP'S HEAT AND POWER SUPPLIES BUSINESS

Reductions in output and on-grid tariffs may materially and adversely affect the Group's revenue and results of operations.

At the beginning of every year, the Group estimates the amount of electricity to be sold by the Group's power plants to the relevant grid company and market end-users according to monthly grid power and market power amount issued by government, and average utilisation hours of the Group's power plants. The relevant provincial NDRC and the dispatch centres in each province where the Group conducts the operations coordinate to determine the planned output and the average utilisation hours of the Group's power plants for that year. When determining the Group's planned output and average utilisation hours, the provincial NDRC and the dispatch centre consider various factors, such as the local power demand, the local power generation capacity, the Group's power generating efficiency and implementation of environmental protection technologies. Therefore, any decrease in power demand or increase in the power generation capacity in the areas where the Group operates, or failure to improve power generating efficiency or implement environment protection technologies could negatively affect the determination of the Group's planned output by the relevant provincial NDRC and the dispatch centre. There is no assurance that the installed capacity of power plants in these provinces will not continue to increase in the future, the occurrence of which may materially and adversely affect the power output of the Group's power plants as determined by the relevant provincial NDRC and the dispatch centre.

In addition, on-grid tariffs are subject to review and approval processes by the relevant provincial pricing bureaus and the NDRC. The NDRC may adjust electricity prices taking into account of various factors, including policy considerations, fluctuations in fuel costs, power supply and demand, results of operations of enterprises in the power industry, inflation and current economic conditions. If the NDRC and the relevant provincial level government authorities continue to reduce the on-grid tariffs, the Group's revenue could be materially and adversely affected.

Furthermore, the Group may not be able to pass on any increase in fuel price to the customers through on-grid tariff adjustments in a timely manner, or at all. Even if the NDRC and the provincial pricing bureau agree to adjust the on-grid tariffs in a timely manner in response to the fuel price increase, such adjustments may not be sufficient to cover the increase in fuel price. On 21 October 2019, the NDRC issued the Guiding Opinions on Deepening the Reform of the On-grid Tariffs Formation Mechanism for Coal-fired Power (Fa Gai Jia Ge Gui [2019] No. 1658) (關於深化燃煤發電上網電價形成機制改革的指導意見) (發改價格規[2019]1658號), according to which, the mechanism of benchmark on-grid tariffs for coal-fired power plants shall be changed to a market-oriented pricing mechanism featuring “benchmark price + fluctuation” (“基準價 + 上下浮動”) from 1 January 2020, the benchmark price shall be determined according to the current local benchmark on-grid tariffs for coal-fired power plants with the fluctuation range ranging from 10% upward to 15% downward in principle, and the on-grid tariffs shall not increase in 2020, and the NDRC may regulate the floating mode after 2020 according to the situation. On 11 October 2021, the NDRC announced new measures to ensure a stable supply of energy given the significant increase in energy price in the international market and tight supply of fuel in China. The fluctuation range of the benchmark on-grid tariffs for coal-fired power plants shall be adjusted to not more than 20% in both ways in principle. For industries with high energy consumption, the on-grid tariff shall be determined by market mechanism and not be subjected to the prescribed fluctuation range of 20% upward.

In 2023, the NDRC and the National Energy Administration jointly issued the Notice on Establishing a Coal Power Capacity Pricing Mechanism (關於建立煤電容量電價機制的通知). This mechanism stipulates that the capacity tariffs for coal-fired power are calculated based on the recovery of a certain proportion of the fixed costs of compliant and operational coal-fired power units. The fixed costs for such units, used to calculate capacity tariffs, are set at a unified national standard of RMB330 per kilowatt per year. The proportion of fixed costs recovered through capacity tariffs is determined by taking into account regional power system requirements and the progress of coal power transformation. For 2024 to 2025, the proportion is set at approximately 30 per cent. in most regions, while regions with accelerated coal power transformation may have a higher proportion of around 50 per cent. Starting from 2026, the proportion of fixed costs recovered through capacity tariffs across all regions is required to be no less than 50 per cent. However, the specific implementation of the above mechanisms remains uncertain.

NDRC's focus of pricing mechanism for tariff has shifted to the transmission and distribution tariff. The previous linkage mechanism based on policy adjustment between the on-grid tariffs and the sales tariffs was gradually replaced by a scientific and independent mechanism to ratify transmission and distribution tariff, and a market-oriented pricing mechanism that promotes the formation of market-oriented tariff at both ends, that is, power generation and sale. Although it is possible for the risk of fluctuations in the difference of purchase and sale prices to be significantly reduced, and for revenue from sale

of power to further stabilize, resulting in a more stable cash flow, there is no assurance that future reforms in the PRC electric power sector will not materially and adversely affect the Group's business, financial condition and results of operations.

An increase in coal prices or a disruption in coal supply or its transportation could materially and adversely affect the Group's heat and power supplies business.

The Group principally operates coal-powered cogeneration plants. Coal costs represent the majority of the operating costs of the Group's heat and power supplies business. As such, the Group's results of operations are sensitive to fluctuations in coal prices. The Group negotiates coal prices applicable to its cogeneration plants with its coal suppliers, and the coal prices are subject to other factors, such as market conditions, limitation of production capacity, change of government policy and shortfall of transportation capacity. The price of coal the Group purchases for heat and power supply is subject to market fluctuations and may be volatile. Since 2013, key contracts and the dual mechanism of electric power coal price have been cancelled. Coal enterprises and power enterprises can enter into contracts and determine prices through negotiation at their sole discretion. Therefore, the market price of coal may fluctuate significantly in the future. Increases in coal costs will increase the Group's cost of sales and may adversely affect the Group's profitability. In addition, the Group's ability to pass on coal price increases through on-grid tariff increases is limited. Changes to on-grid tariff prices are subject to the approval of the NDRC and relevant provincial government authorities. Coal price increases may not result in corresponding adjustments of on-grid tariffs on a timely basis, or at all. Furthermore, any such on-grid tariff adjustments made by the NDRC or local and provincial price bureaus may not be sufficient to mitigate the increases in coal prices.

The Group's cogeneration plants purchase a majority portion of coal from third party coal suppliers. In the event of national coal supply shortfalls, any change in the Group's principal coal distributors or suppliers, delays in delivery by the Group's principal coal suppliers, or their inability to meet the Group's quantity or quality requirements, the Group's business operations may be adversely and materially affected. Currently, the PRC's freight transportation infrastructure may not be adequate to support coal transportation demand in the PRC. Disruptions in the delivery of coal could occur for a variety of reasons beyond the Group's control, including transportation bottlenecks, accidents and natural disasters. Disruptions in coal supply would have a material adverse effect on the Group's business, financial condition and results of operations.

The operation of cogeneration plants involves many risks, and if there are interruptions in the normal operation of the Group's power plants, the Group may not have adequate insurance to cover the economic losses.

The operation of the Group's cogeneration plants involves many risks and hazards, including the breakdown, failure or substandard performance of equipment, improper installation or operation of equipment, labour disturbances, natural disasters, environmental hazards and industrial accidents. The occurrence of material operational problems may adversely affect the profitability of a cogeneration plant.

RISKS RELATING TO THE GROUP'S PROJECT CONSTRUCTION AND MANAGEMENT BUSINESS

The Group's project construction and management business are subject to extensive regulation at various levels of government, and any failures to comply with applicable laws, rules and regulations, including failures to obtain any necessary qualifications, permits or approvals for its operations may adversely affect the Group.

In order to operate its project construction and management business, the Group must obtain and comply with various permits, licenses, certificates, consents and other approvals from administrative authorities, including land use rights documents, planning permits, construction permits, and certificates or confirmations of completion and acceptance. Each approval is dependent on the satisfaction of certain conditions and failure to obtain governmental approvals could have an adverse effect on the Group's operations. For example, certain land parcels allocated to the Group are for specific purposes and may not be transferred, mortgaged or leased without prior approval of the competent government. The Group is also subject to inspections, examinations, inquiries and audits by governmental authorities as part of the process of maintaining or renewing its permits, licenses or certificates.

There can be no assurance that the Group will be able to fulfil the pre-conditions necessary to obtain the required governmental approvals or that it will be able to adapt to new laws, regulations or policies that may come into effect from time to time with respect to its operations. There may be delays on the part of relevant administrative bodies in reviewing the Group's applications and granting approvals. There can be no assurance that the Group's projects will not be subject to delays or fines in relation to the development of such land parcels in the future.

There can be no assurance that PRC governmental authorities will abstain from issuing regulations that may restrict the Group's current and planned activities or that the Group will not be required to change its land uses. The PRC government could adopt more stringent industry policies, regulations and measures in the future. If the Group fails to adapt its operations to any such new policies, regulations and measures, or if such policy changes disrupt the Group's business or cause the Group to incur additional costs, the Group's business, prospects and results of operations may be materially and adversely affected.

As at the date of this Offering Circular, the Group has not received all the permits for part of the projects under construction. There can be no assurance that the Group will be able to obtain or renew all necessary approvals, permits and licences on a timely basis or at all. Failure to obtain the necessary approvals, licences or permits in a timely manner could result in delay or suspension of business operations and a failure to obtain the necessary approvals, licences or permits may subject the relevant entities to regulatory or administrative penalties.

Any non-compliant Gross Floor Area ("GFA") of the Group's uncompleted and future property developments will be subject to governmental approval and additional payments.

Government authorities inspect property developments after completion and issue completion acceptance certificates provided developments are in compliance with the relevant laws and regulations. If the total constructed GFA of a property development

exceeds the GFA originally authorised in a land grant contract or construction permit, or if the completed property contains built-up areas that do not conform with plans approved by construction permits, the Group may be required to pay additional amounts or take corrective actions with respect to such non-compliant GFA before a completion acceptance certificate can be issued.

The Group has obtained completion acceptance certificates for all of its completed properties as at 30 June 2025. However, there can be no assurance that the government authorities will not determine that the total constructed GFA upon completion of the Group's existing projects under development or any future property developments exceed the authorised GFA. Any such non-compliance could lead to material additional payments or penalties, which could adversely affect the Group's financial condition. The Group has not incurred any such material payments or penalties since its founding.

The Group may be adversely affected by the performance of third-party contractors.

The Group engages third-party contractors for its project construction and science park construction projects. The Group generally selects independent contractors through an open tender process. However, there can be no assurance that the services rendered by any of these independent contractors or subcontractors will always be satisfactory or meet the Group's quality and safety standards. If the performance of any independent contractor is not satisfactory, the Group may need to replace such contractor or take other actions to remedy the situation, which could adversely affect the cost and construction progress of its projects. Further, the completion of its infrastructure projects may be delayed, and the Group may incur additional costs in some cases due to a contractor's financial or other difficulties. In addition, the Group may be asked to undertake additional infrastructure development projects by the government on short notice, and there may be a shortage of contractors that meet the Group's quality requirements. Contractors may undertake projects for other companies and developers engage in risky or unsound practices or encounter financial or other difficulties, which may affect their ability to complete their work for the Group on time or within budget. Any of these factors could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's business is subject to general risks inherent in project and science park construction.

The Group's business is exposed to risks inherent in construction, including the risks that construction may not be completed on schedule or within budget, that planning may be affected by government regulations, that there may be delays in timing as a result of changes in the parameters regarding government land grants and that customers may default. The occurrence of any of these risks could materially and adversely affect the Group's business, financial condition and results of operations.

RISKS RELATING TO THE GROUP'S SCIENCE PARK CONSTRUCTION AND MANAGEMENT BUSINESS

The PRC property market, particularly the Guangzhou property market, is cyclical and the Group's commodity housing development activities are susceptible to significant fluctuations.

The Group's science park construction and management business involves certain real estate properties, and is thus exposed to the cyclical nature of the PRC property market and particularly the Guangzhou property market. These markets are expected to continue to be, cyclical as a result of changes in market supply and demand. Prices of residential properties in PRC cities such as Guangzhou, Shanghai and Beijing have experienced rapid and significant growth since the 1990s. In recent years, however, risk of property oversupply is increasing in certain parts of China, where property investment, trading and speculation have become overly active. According to the National Statistics Bureau of the PRC, in 2022, the value and area of national commodity housing sales reported a period-to-period decline of 26.7 per cent. and 24.3 per cent., respectively, and real estate investments declined by 10.0 per cent. period-to-period. The sales of property developers almost all recorded declines, in particular, the sales of those property developers with liquidity stress recorded dramatic declines. In addition, since September 2021, there has been negative news relating to certain Chinese property companies including defaults on their indebtedness. This has had a negative impact on, and resulted in increased volatility in, the property sector in China. There is no guarantee that such situation will improve, and the PRC property market may not continue to grow and may even experience significant contraction if any such situation continues. The property market in the PRC had a strong wait-and-see sentiment in general with weak housing demand. Any oversupply and falling property prices or any other adverse development in the PRC property market could adversely affect the Group's property development business, financial condition and results of operations. In the event of actual or perceived oversupply, together with the effect of the PRC government policies to curtail the overheating of the property market, property prices may fall significantly and property sales and results of operations of the Group could be adversely affected. It is uncertain what the effect of the lifting of the various government regulations on the property market will be as ultimately property prices are driven by demand and supply. There can be no assurance that the problems of oversupply and property prices crash will not recur in the PRC property market. To the extent that supply in the overall property market significantly exceeds demand, the Group may be affected by significant market downturns, and its sales of commodity properties, financial condition and results of operations could be materially and adversely affected.

The PRC Government may adopt measures aimed at slowing down growth in the real estate sector.

Since 2005, the PRC Government has from time to time introduced various measures to curtail property speculation in response to concerns over, among other things, the increases in property investments and property prices and the overheating of the property market. For example, according to the Notice of the State Council on Issues Relating to Further Well Managing the Central Control of the Real Estate Market (國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知) issued by the General Office of the State Council on 26 January 2011 and the Notice of the State Council on Continuity to Well Manage the Central Control Work of the Real Estate Market (國務院辦公廳關於繼續做好房地產市場調控工作的通知) promulgated by the General Office of the State Council on 26 February 2013, the government will firmly restrain speculative demands and strengthen market

supervision to better control the overheating of the PRC real estate market. Such measures may limit property developers' access to capital resources, reduce market demand for their properties and increase their operating costs in complying with these measures, which in turn could have an adverse impact on the demand for land developed by the Group. On 20 August 2020, the MOHURD and PBOC communicated the fund monitoring and financing management rules, which is also known as the "Three Red Lines" (三條紅線), for real estate companies to control the financing activities of property developers and the scale of interest-bearing debts of property developers in China by applying: (i) a 70% ceiling on liabilities to assets, excluding advance proceeds from projects sold on contract, (ii) a 100% cap on net debt to equity ratio, (iii) a cash to short-term borrowing ratio of at least one. Developers will be categorized based on how many limits they breach and their debt growth will be capped accordingly. If a firm passes all three, it will be labelled as "Green", and can increase its debt a maximum of 15% in the next year; if a firm passes two of them, it will be labelled as "Yellow", and can increase its debt a maximum of 10% in the next year; if a firm passed one of them, it will be labelled as "Orange", and can increase its debt a maximum of 5% in the next year; if a firm fails to pass any of them, it will be labelled as "Red", and cannot increase any debt in the next year. There can be no assurance that the PRC Government will not adopt additional and more stringent measures to further dampen the growth of the property sector, which could slow down property development in China. This may have a material adverse effect on the Group's business, financial condition and results of operations.

The Group does not anticipate generating positive operating cash flow during the early stages of land development projects and could require additional financing for future projects.

The Group faces uncertainties and risks related to the early stages of science park construction projects. The Group does not anticipate generating positive operating cash flow during these stages and there can be no assurance that the Group will be able to develop these projects to the point where they will become profitable. If the Group cannot successfully develop these projects, it may require additional financing and there can be no assurance that it will be able to obtain such financing or, as the case may be, the refinancing of the existing facilities on favourable terms or at all. The inability of the Group to recoup its investments in early stage land development projects or obtain additional financing or, as the case may be, the refinancing of the existing facilities as needed could have a material adverse effect on the Group's business, financial condition and results of operations.

RISKS RELATING TO THE GROUP'S HIGH-END EQUIPMENT MANUFACTURING BUSINESS

If the Group fails to effectively control costs, in particular the costs of parts and components, its results of operations and financial condition may be materially and adversely affected.

In order to maintain its competitiveness and achieve profitability, the Group must effectively control its costs. A significant portion of the Group's business with its customers is conducted pursuant to fixed price contracts, awarded on a competitive bidding basis. The profit margins realised on such fixed price contracts may vary from original estimates as a result of changes in costs and production volume over their term due to factors such as changes in the costs of components, materials or manpower, difficulties in obtaining adequate financing, unanticipated technical problems with parts and components being supplied, project or schedule modifications, delays caused by local weather conditions and suppliers' failure to fulfil their obligations. Among these, fluctuations in the purchase prices

of parts and components are a key factor affecting the Group's costs. The parts and components used for manufacturing wind towers require substantial amounts of steel, copper, various other metals and composite materials. The prices and availability of these materials may be affected by factors beyond the Group's control, including global demand for and supply of such materials, inflation and local economic cycles, price control measures imposed by the government or private companies, international geopolitical issues and instability of the government of the exporting countries.

During the contractual term, it is difficult to predict price trends of raw materials, and price fluctuations in raw materials may have a material and adverse effect on the Group's financial condition and results of operations. The Group does not hedge its exposure to movements in the prices of steel, copper, rare earth materials and other raw materials. Although the Group's components suppliers are under fixed price contracts with the Group and bear the risks of raw materials price fluctuations, the Group may still, by way of its agreements with suppliers, be indirectly exposed to the risk of increases in the prices of these raw materials and components and to the extent the Group cannot pass on the price increases in these raw materials and components to its customers fully or in part, the Group's business and financial condition could be affected. Although the Group believes that its resources, experience and project management skills allow it in most cases to estimate costs accurately and to control costs effectively, there can be no assurance that the Group will realise expected profits from all of its fixed price contracts. In the event this occurs, the Group's results of operations and financial condition may be materially and adversely affected.

The Group's results of operations may fluctuate through the year due to seasonality of business.

The Group's customers are located in different parts of China, and in some of these areas, due to weather conditions, the construction of wind farm projects tends to commence at the beginning of the year, with construction carried out through the year, and installation at the end of the year. Consequently, the quantity of the Group's wind towers delivered and operating income derived from such sales in the third and the fourth quarters may be generally greater than in the first and second quarters. As the Group's operating income fluctuates seasonally, its interim financial results may not reflect its financial results or performance for the entire year. Comparisons of sales and operating results between different periods in a single financial year for the Group's business segments, or between the same periods in different financial years, are not necessarily meaningful and should not be relied on as indicators of the Group's performance. The Group tries to mitigate the influence of such seasonal factors by increasing sales to different regions in the PRC and managing delivery schedules. The seasonal nature of the Group's operating income requires the Group to control its working capital carefully so as to provide adequate cash for operations throughout the year. Any failure to manage seasonality in the Group's business may cause the Group's revenue and financial condition to be materially and adversely affected.

Substantial damage to persons or loss of property may occur in the course of the Group's production and construction processes.

The Group's production and construction processes involve dangerous activities, including aerial, engineering and routine construction works. The Group is required to comply with the necessary safety requirements and standards. Risks associated with the Group's

production and construction activities include work injury accidents or geological hazards, which may result in personal injuries or fatalities and damage to property and equipment. Accidents related to any of these may result in personal injury claims, subcontractor claims, cessation of business, or civil and criminal penalties. The Group may also be liable for claims from third-party contractors. Although the Group has maintained public liability insurance which covers personnel casualties and property losses resulting from its operations, if it incurs substantial losses or liabilities due to the above reasons and its insurance coverage is unavailable or inadequate to cover such losses or liabilities, the Group's results of operations and financial condition may be materially and adversely affected.

Uncertainties and adverse changes in government initiatives and policies that affect the renewable energy industry in general and the wind power industry in particular may have an adverse effect on the Group's business and results of operations.

The Group believes that government initiatives, incentives and other favourable policies have been one of the major growth drivers for the PRC renewable energy industry in general and the wind power industry in particular. The alternative energy industry faces intense competition from conventional energy technologies. Due to the relatively high generation costs compared to most of other energy sources, alternative energy industries, including the wind power industry, are generally not competitive without government incentive programmes. There can be no assurance, however, that government support will continue at the same present level or at all. Any decrease or elimination of government incentives currently available to industry participants may result in increasing operating costs incurred by the Group or its current customers or discourage potential customers from investing in the Group's products, solutions and platforms. The Group and most of its customers are highly dependent on the government initiatives, incentives or other favourable policies to support their operations at a relatively acceptable cost level. These initiatives, incentives and policies include preferential tax treatment, government spending, government financial funds and grants, government incentives for the electricity industry or preferential tariffs on power generated from wind power. Any changes in such governmental initiatives, incentives and policies may require the Group to continuously improve the efficiency of its wind power equipment and wind farm construction and operation, as well as research and development capabilities and therefore decrease the wind power generation costs in general. There is no assurance that the Group will be able to continuously enhance its manufacturing and operational technologies or attain or maintain economies of scale and management efficiency as currently planned. If the Group is not successful in managing and overcoming any risks and uncertainties incurred as a result of changes in governmental initiatives and policies in China by continuously lowering its construction and power generating cost, it might not be able to compete efficiently with thermal power players and other renewable energy players in the market in the future and accordingly, its business, results of operations, financial condition and prospects may be materially and adversely affected. Any uncertainties and adverse changes in government initiatives, incentives or policies will materially and adversely affect the investment plans of the Group's customers and consequently its growth.

The Group may be affected if the PRC government reduces or ceases its support and encouragement of the wind power industry.

The PRC government has promulgated a series of laws, regulations and policies to support and encourage the development of wind power. These include The Renewable Energy Law of the PRC (中華人民共和國可再生能源法), Medium-to-Long Term Development Plan for Renewable Energy (可再生能源中長期發展規劃), and Notice of the National Energy Administration of the PRC on Relevant Requirements for Regulating Orders in the Wind Power Equipment Market (國家能源局關於規範風電設備市場秩序有關要求的通知). These laws, regulations and policies directly affect the prospects of the domestic wind power industry and wind power equipment manufacturing industry in the PRC and are major factors that affect the demand for the Group's products.

The level of acceptance of wind power as a viable form of clean energy by the government agencies that establish energy policies as well as the general public in markets in which the Group operates has a significant effect on the Group. The direct or indirect reduction or termination of such government support may have a negative impact on the PRC wind power market. In the event of changes in the support by the PRC government of the industry in which the Group operates, or changes to the policies associated with the Group's industry, the Group's operations may be affected. Moreover, changes in government policies and support in those countries to which the Group plans to expand its business may also affect the Group. In the event of changes in these preferential policies by the PRC government and/or the relevant authorities of other markets in which the Group intends to operate or changes in the level of public acceptance for wind power in such markets, wind power may become less attractive, and this could have a material and adverse effect on the Group's business, results of operations and prospects.

If major breakthroughs in other clean energy technologies result in these technologies being superior to wind power, or the utilisation of wind power are affected by the unpredictability of local weather conditions, demand for wind power projects may be affected.

The cost and social effects of wind power may affect the demand for wind power projects. Wind power is currently considered to be the most cost-competitive source of clean energy, with improving technology and decreasing cost. However, in the event of improved cost competitiveness of other forms of clean energy or major breakthroughs in other forms of clean energy, such alternative forms of energy may become more attractive than wind power and, accordingly, demand for wind power may then drop significantly.

Moreover, the amount of wind power generated depends significantly on local weather conditions. As the status of wind resources may change, the effective utilisation of wind power may be affected. This may result in a shift in demand toward other forms of clean energy, such as solar, geothermal and tidal. If any of the above factors takes place, the wind power industry may be affected, and this may have a material and adverse effect on the Group's business prospects, results of operations and financial condition.

The Group's research and development efforts may not result in successful new products, solutions and platforms and market acceptance and profitability of the new products, solutions and platforms are uncertain.

The Group's future success highly depends on its ability to keep pace with the rapid technological changes in the renewable energy industry in general and the wind power industry in particular. In order to maintain and enhance its competitive position that the Group currently enjoys and to continue to grow its business, the Group needs to design, develop and market new and more cost-efficient products and introduce new products, solutions and platforms to meet growing market demands and changing technical standards. The development of new products, solutions and platforms requires considerable investment and the Group's significant expenditures on research and development may not yield as much benefit as anticipated. On the other hand, since the industry has shifted its focus from size and speed of wind towers to quality and efficiency, the Group is required to continuously improve and upgrade its products, solutions and platforms to ensure the reliability and cost-efficiency of its wind power solutions. The Group expects to spend a significant amount on research and development and continue to commit significant investments in research and development personnel over the next few years. However, research and development activities are inherently uncertain and the success of the Group's new products and platforms will depend on a number of factors, including product quality, competition, customer acceptance, price, general market conditions, government incentives, ability to integrate customer feedback into new products, ability to accurately assess technological trends and customer needs and the strength of marketing and distribution capabilities.

Furthermore, the Group's competitors may adopt more advanced technologies or develop products, solutions and platforms that are more effective or commercially attractive at an even lower cost than it. If the Group encounters delays in technology development, fail to meet changing market demands or introduce newly developed products to the market, and its competitors respond more rapidly than the Group does, its business, financial condition and results of operations may be materially and adversely affected.

Failure to fulfil customer orders due to delays in the Group's production process may have a material and adverse effect on the Group's business prospects, results of operations and financial condition.

The manufacturing and sales of the Group's wind towers involve purchases of parts and components, assembly of the units, and transportation of finished products. Any unexpected delay in the process may affect the Group's ability to deliver products on time. The Group cannot assure you that it can always fulfil customer orders on time. Any failure to fulfil customer orders due to delays in the Group's production process may affect the Group's current sales and undermine its reputation and market position and thus the quantity of future orders. Further, the Group may be subject to substantial contractual penalties or obligations in connection with the letters of guarantee the Group has provided. Any of these may have a material and adverse effect on the Group's business prospects, results of operations and financial condition.

If the Group fails to obtain or maintain applicable regulatory approvals, licenses or permits, it may be unable to produce, market and sell its products and services at all or in a timely manner.

The production, sales and servicing of the Group's wind tower products are subject to regulations in the PRC as well as other countries in which the Group has operations. The Group is currently subject to regulations requiring governmental certificates, permits or licences including without limitations to business licences, land use right certificates, property ownership certificates, planning permits, construction permits, pollution discharge permits and fire safety permits, which may require regular renewals and inspection. Failure to obtain or maintain or a delay in obtaining these certificates, permits or licences may result in fines, penalties or business interruptions which could have a material and adverse effect on the Group's business and future prospects.

The Group faces intense competition in its major markets.

The Group faces increasingly intense competition from both overseas and domestic competitors, in the markets in which the Group operates. Some of the other manufacturers may have greater financial, sales and marketing, research and development, personnel, or other resources than the Group. In addition, new market entrants may achieve immediate market share through leveraging existing business relationships and acquisition of wind tower technologies from third parties. The Group's competitors may also respond more quickly to changes in technology or customer requirements, or offer similar products at prices lower than ours. Furthermore, as defects in wind towers and renewable energy services business may not appear in the early stages of using the product or service, new market entrants who may produce products or provide services of sub-standard quality may market their products and services for an extended period of time before potential customers can gain actual knowledge of the quality of their products and services. All of the foregoing factors have intensified market competition, and the Group may face pressure in product pricing and competition for orders. In particular, the Group's historical wind tower average selling price is not necessarily representative of future trends for its product pricing, and the Group may adjust its selling prices downward due to pricing pressure. Any adverse or unforeseen change in the Group's competitive environment may have a material and adverse effect on the Group's business, results of operations, financial condition and prospects.

Any failure of the Group to maintain an effective quality control system could have an adverse effect on the quality of products manufactured and sold by the Group.

Product quality is critical to the success of the Group's high-end equipment manufacturing business. This significantly depends on the effectiveness of the Group's quality control system, which in turn depends on a number of factors, including the design of the system, the quality control training program, and the Group's ability to ensure that its employees adhere to its quality control policies and guidelines. Any significant failure or deterioration of Group's quality control system could result in the production of defective or substandard products, delays in the delivery of Group's products, the need to replace defective or substandard products, and damage to the Group's reputation. If the Group's products do not meet the specifications and requirements agreed with or requested by the Group's customers, or if any of the Group's products are defective, or result in its customers suffering losses as a result of product liability claims, the Group may be subject to product liability claims, claims for indemnity by its customers, and other claims for compensation.

Although the Group maintains product liability insurance that it considers customary for its industry and operations, the Group may still be subject to losses resulting from the risks that are not covered by the insurance it currently carries on.

The Group may be subject to product liability claims and litigation and may incur significant legal costs regardless of the outcome of any claim of alleged defect. Products failure or defects, and any complaints or negative publicity resulting therefrom, could result in decreased sales of these or other products. As a result, if the Group faces claims or litigation regarding the quality of its products, its manufacturing and processing business and such business' results of operations may be materially and adversely affected.

Any material disruption of operations could adversely affect the business and results of operations of the Group's manufacturing and processing business.

The operations, production facilities and systems of the Group's high-end equipment manufacturing business are vulnerable to damage or interruption from fires, floods, power loss, telecommunications failures, explosions or other forms of natural and man-made disasters. These operations, facilities and systems may also be vulnerable to sabotage, vandalism, theft, security breaches and similar misconduct. The Group's disaster recovery procedures may not be sufficient to mitigate the harm that may result from any such event or disruption. In addition, the Group's insurance and other safeguards may only partially reimburse it for losses. Significant interruptions from any of these events could materially and adversely affect the business and results of operations of the Group's high-end equipment manufacturing business.

RISKS RELATING TO THE GROUP'S OTHER BUSINESSES

The Group's diversification into other businesses may increase its exposure to credit risks.

The Group's other businesses, which include in the financial industry involve many inherent risks, including the risk that the loans the Group guarantees or grants are not repaid on time or at all. The Group's financing guarantee business currently focuses on small and medium sized enterprises customers in Guangzhou Development District. Many of its customers have limited financial resources or relatively weaker credit profile, making it difficult for them to obtain capitals from the large state-owned financial institutions. For the same reason, they are more vulnerable to adverse competitive, economic or regulatory conditions, and create greater credit risks relating to the Group's loan and guarantee business than larger or more established businesses with longer operating histories.

In the future, if the PRC economy experiences a slowdown or enters into recession, the operations and financial performance of PRC companies may be heavily affected and customer default may increase, increasing the Group's exposure to credit and liquidity risks. Although the Group seeks to manage its credit risk exposure through internal customer due diligence, credit approvals, establishing credit limits and portfolio monitoring and other risk management measures, there can be no assurance that these measures will be effective given the limited operating history of the Group's financial service business. There is no assurance that the Group is able to manage its credit risk effectively with its existing risk management system.

General economic and market conditions could materially and adversely affect the business of the Group.

The economic recovery since the global financial crisis has been slow, with economic growth rates in major economies such as Europe, the United States, Japan and the PRC generally remaining persistently lower than pre-crisis levels. Although the PRC's economic growth has increased compared to its level immediately after the global financial crisis, it has displayed signs of slowdown as evidenced by a decrease in the growth rate of the PRC's GDP in recent years. This was caused by a combination of factors most of which are beyond the Group's control, such as the global economic conditions, governmental policies and changes in market dynamics globally and regionally. The PRC Government reported a GDP of RMB103.5 trillion, RMB117.4 trillion, RMB123.4 trillion, RMB129.4 trillion and RMB134.9 trillion in 2020, 2021, 2022, 2023 and 2024, respectively, representing year-on-year growth of 2.3%, 8.6%, 3.1%, 5.4% and 5.0%, respectively. Although the PRC Government has recently taken several measures and actions with an aim to increase investors' confidence in the PRC economy, there can be no assurance that those measures will be effective. The future performance of the PRC's economy is not only affected by the economic and monetary policies of the PRC Government, but has been, and in the future will continue to be, materially affected by geo-political, economic and market conditions, including factors such as the liquidity of the global financial markets, the level and volatility of debt and equity prices, interest rates, currency and commodities prices, investor sentiment, inflation, and the availability and cost of capital and credit. For example, the ongoing trade dispute between the PRC and the United States and the increase in tariffs that the United States plans to impose on Chinese imports have contributed to increased market volatility, weakened business and consumer confidence and diminished expectations for economic growth around the world. Uncertainties in the global and the PRC's economies may adversely affect the market conditions in China, which in turn, affected the Group's results of operations and financial condition. First, a rise in global trade protectionism will negatively impact the trade-dependent economies in Asia. Second, the interplay of U.S. fiscal and monetary policies, and aggressive quantitative easing programmes in Japan and Europe may lead to more volatile global capital flows, which could in turn impact global growth. Third, financial market volatility and increased uncertainty may have a broader global economic impact that may in turn have a material adverse effect on the Group's businesses, financial condition and results of operations. As a result of these risks, the Group's income and operating results may be exposed to significant fluctuations.

The PRC securities industry has historically been adversely affected by the tightening of monetary policies and high inflation in the PRC, as well as the volatile PRC's A share market.

The fluctuation in the PRC securities markets were caused by a number of factors beyond the Group's control, such as natural disasters, overall economic conditions of the PRC and the fluctuations in the exchange rate of Renminbi. Poor market conditions and increase in credit risks could affect the value of the Group's financial assets and may have an adverse effect on the Group's securities and futures brokerage business while favourable market conditions may not be sustainable.

In particular, the Group's securities business is closely correlated with securities market condition. The Group conducts its securities business mainly through Yuekai Securities Co., Ltd. (粵開證券) ("Yuekai Securities"). The substantial portion of the revenue of Yuekai Securities is derived from the securities markets, in particular the PRC securities markets.

Like other businesses operating in the same industry, its business is directly affected by the inherent risks associated with the securities markets, such as market volatility, investor sentiment, fluctuations in the market capitalisation and trading volume, the supply of liquidity and the perceived credit worthiness of the securities industry in the marketplace. The Group's business is also subject to changes in the general economic and political conditions, such as macroeconomic and monetary policies, fiscal policies, foreign exchange policies, taxation policies and other policies, legislation and regulations affecting the financial and securities industries, upward and downward trends in the business and financial sectors, inflation, currency fluctuations, availability of short-term and long-term market funding sources, cost of funding and the level and volatility of interest rates.

A reduction in the Group's income or a loss resulting from its underwriting and brokerage, investments, trading or asset management activities could have a material adverse effect on its business, results of operations and financial condition.

The Group's investments are subject to the inherent risks associated with the investment industry and changes in general political conditions.

The Group's investments are directly affected by the inherent risks associated with the investment industry, such as market volatility, overall investment sentiments, fluctuations in market capitalisation and trading volumes, the supply of liquidity and perceived credit worthiness of each individual investment and the investment industry. The Group's investments are also subject to changes in general political conditions in the PRC and globally, such as monetary policies, fiscal policies, foreign exchange policies, currency fluctuations, cost of funding, volatility of interest rates, taxation policies and other macroeconomic policies, legislation and regulations affecting the financial and securities industries. It is also affected by the upward and downward trends in the business and financial sectors as well as inflation and availability of short-term and long-term funding sources. Poor market conditions could affect the value of the Group's investment assets while favourable market conditions may not be sustainable. Lack of liquidity or price volatility could reduce the value of the investment assets that the Group has invested in or managed which, in turn, may have a material adverse effect on its business, financial condition and results of operations.

The Group may not be able to successfully identify, acquire, invest in or operate suitable investment projects, acquisition targets or businesses.

Before making investment decisions, the Group generally conducts business, financial, legal and other due diligence that the Group deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, the Group may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. External consultants, legal advisors, independent auditors and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. However, when conducting due diligence and making an assessment regarding an investment, the Group relies on resources available to the Group, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence investigation that the Group will carry out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity, which could subject the Group to unknown financial, legal and other risks and liabilities. Also, such an investigation will not necessarily result in the investment being

successful. When determining the consideration for any investment or acquisition, the Group will consider various factors, including but not limited to the quality of the target business, estimated costs associated with the investment or acquisition and the management of the target business, prevailing market conditions and intensity of competition. There can be no assurance that the Group will be able to address these issues effectively.

The Group may fail to realise any profits from its investment activities or may be unable to sell its investments for a considerable period of time or to recover its investment costs.

The Group has made and expects to continue to make significant investments in the securities of privately held and publicly-traded companies, which involve significant risks. If the Group's investments do not generate operating income, profits or cash flow in time or at anticipated levels, the Group's growth prospects, business, results of operations and financial condition may be materially and adversely affected.

Many of the Group's investments are made in privately held companies by purchasing a portion of their equity securities. The Group holds these securities mainly for investment purposes and its principal means of realising investment returns are through privately negotiated sales or through initial public offerings (IPO) of the companies invested. Generally, it takes a considerable amount of time before the Group can sell any such investment and, in many cases, involves substantial efforts and resources to improve the management and business of a company the Group invested with a view to enhancing the value of its investment, especially when the Group plans to take the company public. This may be caused by a number of reasons:

- Sales of privately held investments through privately negotiated transactions depend heavily on the Group's ability to identify suitable buyers for the particular investment. It may be difficult for the Group to find suitable buyers for its investment in a privately held company;
- Any intended sale may involve prolonged and difficult negotiations with the potential buyer, which may not materialise within a reasonable period, at an acceptable price, or at all;
- Realising investment returns through IPO of an invested company also involves significant uncertainties and is subject to a number of factors beyond the Group's control, including the general economic conditions, performance of the relevant industries, competitiveness of the invested company as well as the conditions in the global and regional financial and capital markets. Securities offering may also need to comply with the applicable securities laws; and
- In many cases, the Group may be prohibited by contract or by applicable securities laws from selling such securities for a period of time.

The Group also invests in publicly traded securities (including fixed-income securities) from time to time. Its ability to dispose of these investments is heavily dependent on the performance of the securities market, apart from other factors that may affect a publicly traded company's financial performance. Market prices of publicly traded securities tend to be volatile and subject to significant fluctuations. If the market price of the securities the Group holds declines significantly, the Group may be unable to sell any such securities at a favourable price, if at all, and may lose all or a portion of its investment amount. In

addition, holdings of a large number of securities often can only be disposed of over a substantial length of time, exposing the Group's investment returns to risks of downward movement in market prices during the intended disposition period. In addition, the Group's investment decisions are mainly based on human judgments, which involve management discretion and assumptions. If the Group's decision-making process fails to minimise losses effectively while producing meaningful gains, or its forecasts deviate significantly from actual changes in market conditions, or if concentration risk, including market risk and credit risks from holding particular assets or asset classes materialises, its investment business may not achieve the investment returns it anticipates, and the Group could suffer material losses, any of which would materially and adversely affect its business, financial condition and results of operations. For example, the Company through its subsidiary, Guangzhou Kaide Venture Capital Co., Ltd., subscribed for the onshore bonds issued by Cedar Industry on 28 March 2019, with a subscription amount of RMB2.0 billion. Cedar Industry has defaulted on the interest payment since 28 March 2022. Although the Company has initiated legal proceedings against Cedar Industry, there can be no assurance that the Company will receive any or all part of the principal and interests of the defaulted bonds. As at 31 December 2024, the Group recognised an impairment provision of RMB1.62 billion against the defaulted onshore bonds. In addition, the Group had fair value loss in the amount of RMB522.8 million, mainly due to the deduction of fair value of investments. If the Group fails to achieve the investment returns it anticipates such securities, the Group may experience significant financial losses that could materially and adversely affect its business, financial condition and results of operations.

Accordingly, the Group may be forced to either sell the securities at lower prices or hold the securities for a considerable period of time, which could have a material adverse effect on the Group's business, results of operations and financial condition.

Disputes with the limited partners of the funds the Group manage may adversely affect its business, financial condition and results of operations.

Disagreements with any of the limited partners in connection with the scope or performance of the Group's respective obligations under a fund partnership or cooperation arrangement could adversely affect the Group's ability to implement its business strategies and achieve its investment goals. The limited partners may interpret the obligations of the parties under the partnership or cooperation arrangement differently than the Group does. The Group may have disputes over the carried interests the Group may be entitled to. In addition, the Group may fail to identify appropriate investment opportunities and realise returns for the limited partners. The limited partners may have economic or business interests or goals that are inconsistent with the Group, take actions contrary to its instructions or requests or contrary to its policies or objectives, or be unable or unwilling to fulfil their obligations under the relevant partnership or cooperation agreements. Should any of these difficulties arise, the Group may be unable to derive the benefits it anticipates from such partnerships and the Group's business, financial condition and results of operations could be adversely effected. For example, the Company may be obliged to compensate and repurchase the trust interests of China Life Insurance Company Limited under their trust funds agreements when the triggering events occur, and Group's business, financial condition and results of operations could be adversely effected.

Difficult market conditions can adversely affect the Group's business in various ways, including by reducing the value or performance of the investments, which could negatively impact the Group's operating income, profits and cash flow and adversely affect its financial condition.

The Group's investment business is materially affected by conditions in the financial markets and economic conditions or events in the PRC and in the world, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation), trade barriers, commodity prices, currency exchange rates and controls and national and international political circumstances (including wars, terrorist acts or security operations). The Group's business and value of its investments are also affected by the performance of the companies in which the Group invests and the market conditions of the industries these companies operate in or are affected by. For example, the Group recorded operating loss in the amount of RMB535.1 million and net loss in the amount of RMB955.0 million, respectively, in 2024, which are mainly attributable to reasons, among others, including the fair value loss in the relevant periods. Please see "*Risks Relating to the Group's Business and Industry — The Group's operating profit may fluctuate significantly from period to period and the Group incurred an operating loss and net loss in the past*" for details. These factors are outside the Group's control and may affect the level and volatility of securities prices and the liquidity and value of its investments. The Group may not be able to manage its exposure to these conditions and/or events.

The Group may be affected by reduced opportunities to exit and realise value from their investments as a lack of financing makes it more difficult for potential buyers to raise sufficient capital to purchase assets in the Group's portfolios, by lower than expected returns on investments, which could cause the Group to realise diminished or no profit, and by the fact that the Group may not be able to find suitable investments for it to effectively deploy capital, which could adversely affect the Group's ability to make new investments because it can generally only raise capital for a new investment following the substantial deployment of capital from the existing investment.

During periods of difficult market or economic conditions or slowdowns (which may be across one or more industries, sectors or geographies), the Group's portfolio companies may experience decreased operating income, financial losses, credit rating downgrades, difficulty in obtaining access to financing and increased funding costs. These companies may also have difficulties in expanding their businesses and operations or be unable to meet their debt service obligations or other expenses as they become due, including expenses payable to the Group. Negative financial results in the Group's portfolio companies may result in lower investment returns for its investment, which could materially and adversely affect its operating results and cash flow. To the extent the operating performance of such portfolio companies (as well as valuation multiples) deteriorates or does not improve, the Group may sell those assets at values that are less than it projected or even at a loss, thereby significantly affecting the Group's performance and consequently its operating results and cash flow.

The Group has made investments in portfolio companies that it does not control.

The Group invests in portfolio companies that it does not control. The Group's ability to manage and monitor the operations of its portfolio companies derives primarily from its contractual rights under shareholders' agreements and its shareholders' rights under the PRC Company Law and other relevant laws and regulations. Typically, the Group manages

and monitors these companies through its representation on their board of directors. The Group's inability to exercise control over these companies exposes it to inherent risks such as daily operational issues and legal non-compliance of its portfolio companies as the Group may not be in a position to resolve issues or address risks in its portfolio companies. Also, its interests may be adversely affected as a result of other shareholders' failure to perform their contractual obligations and disagreements among shareholders over the management or future directions of these companies. In addition, when the Group acquires minority equity interests or dispose a portion of majority equity interests in portfolio companies in a manner that results in the Group retaining a minority investment and not having control, it is subject to risk that the relevant portfolio companies may make business, financial or management decisions with which the Group does not agree or that the majority shareholders or the management of the companies may take risks or otherwise act in a manner that does not serve the Group's interests. Also, regardless of whether the Group has control, there can be no assurance that it will not have disputes with other shareholders of its portfolio companies. In the event of such disputes, the operations of such companies may be adversely affected, and the Group may be forced to take actions, including arbitration and litigation, to resolve such disputes. These actions could result in substantial costs, divert the Group's management resources and adversely impact its reputation. The outcome of any such arbitration or litigation cannot be guaranteed. If any of the foregoing were to occur, the values of the Group's equity interests in companies that it does not control could decrease and its financial condition and cash flows could suffer as a result.

The Group's securities business may be adversely affected by regulatory changes and measures.

The Group conducts securities business through Yuekai Securities, which is subject to laws, policies and regulatory requirements issued by the relevant governmental authorities. These regulations limit the types of products and services the Group may offer by imposing capital requirements and restrict the business activities by stipulating the types of securities that the Group may invest in.

The regulatory authorities conduct periodic inspections, examinations and inquiries in respect of the Group's compliance with relevant regulatory requirements. Any potential failure to comply with the applicable regulatory requirements could result in sanctions, fines, penalties or other disciplinary actions, including, among other things, a downgrade of the Group's regulatory rating and limitations or prohibitions on the Group's future business activities and could also potentially harm the Group's reputation. A downgrade of the Group's regulatory ratings may limit the Group's ability to conduct certain businesses or obtain certain business permits or approvals for the Group's new businesses or cause the Group to be subject to a higher risk capital reserves ratio or a higher securities investor protection fund reserve ratio. Any future incidents of noncompliance may have a material adverse effect on the Group's business, financial condition, results of operations, reputation and prospects.

Rules and regulations applicable to the Group's business are evolving rapidly. New rules and regulations, and changes in the interpretation or enforcement of existing rules and regulations, may directly impact the Group's business strategies, competitiveness and prospects. Changes in the rules and regulations could impose more stringent requirements or additional limitations on the business that the Group's conducts, requiring the Group to modify its existing business practices and lead to additional compliance costs or introduce

and increase competition for its business. Any failure to adapt to the ever-changing regulatory environment and maintain the Group's compliance and competitiveness could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group is subject to strict capital adequacy, risk management, liquidity and other regulatory requirements, and the Group may not always be able to comply with such requirements.

The Group is subject to capital adequacy, risk indicator, liquidity and other requirements imposed by CSRC, SAC and other regulatory authorities and self-regulatory organisations, and the Group experienced non-compliance of certain requirements from time to time. For example, on 29 September 2021, Yuekai Securities received a notification from the CSRC that the CSRC had decided to open an investigation against it and alleged that it fell short of the proper standard of due diligence when underwriting the bonds issued by a company. On 25 November 2021, Yuekai Securities received a prior notice of administrative penalty from CSRC in relation to the aforementioned matter, according to which CSRC confiscated Yuekai Securities' illegal gains of RMB6.6 million, and imposed an additional fine of RMB600,000. On 7 January 2022, Yuekai Securities received an admonition letter from the CSRC Guangdong branch alleging that it fell short of the proper standard of due diligence when acting as a trustee for the bonds issued by a company.

Any failure to meet such requirements could lead to sanctions, fines, penalties or other disciplinary actions, including a downgrade of the Group's regulatory rating and limitations or prohibitions on its future business activities, which may have a material adverse effect on its business, financial condition, results of operations, reputation and prospects. According to the Administrative Measures for Risk Control Indicators of Securities Companies made by the CSRC, effected on 1 November 2006 and revised respectively on 24 June 2008, 16 June 2016 and 20 March 2020, the risk coverage ratio (namely net capital divided by the sum of various risk capital reserves times 100%) of a securities company shall not be less than 100%; the capital leverage ratio (namely core net capital divided by total on- and off-balance-sheet assets times 100%) of a securities company shall not be less than 8%; the liquidity coverage ratio (namely high-quality liquid assets divided by net cash outflow for the next 30 days times 100%) of a securities company shall not be less than 100%; and the net steady fund rate (available steady funds divided by required steady funds times 100%) of a securities company shall not be less than 100%. Although the Group believes that it is in compliance with relevant capital adequacy, risk management and liquidity requirements, there is no guarantee that the Group will be able to comply with such requirements at all times in the future, and any failure to do so may cause a material adverse effect on the Group's business, operations, financial conditions or prospects.

The Group may not be able to compete successfully in the PRC securities industry.

The PRC securities industry is highly and increasingly competitive. The Group faces intense competition against a large and diverse group of competitors. Commercial banks, fund management companies, insurance companies, trust companies, futures trading companies, asset management companies and other financial institutions are expanding their services into the traditional businesses of securities firms through "one-stop-shop" types of products and service innovation and are competing with securities firms in certain areas such as asset management businesses and any new business areas that they may expand into in the future.

For the securities sales and trading business and asset management business, the Group competes primarily with other licensed securities firms in terms of brokerage commission rates, quality and range of services, and range of product offerings. The intense price competition in recent years has lowered commission rates and fees for the securities brokerage business and asset management business in general. Some of the Group's competitors may have certain competitive advantages, including greater financial resources, stronger brand recognition, broader product and service offerings and a branch network with wider geographic coverage. They may also have more experience with a broader range of services and more complex financial products than the Group. As China is taking steps to open up its financial industry through easing its limits to foreign stakes in securities firms, new competitors may enter into the securities industry, which could further intensify market competition. The Group may not always be able to compete successfully with its competitors, which could have an adverse effect on its business, financial condition, results of operations and prospects.

RISKS RELATING TO THE PRC

Any failure to complete the relevant filings under the NDRC Foreign Debt Measures and the Cross-border Financing Circular (as defined below) within the prescribed time frame following the completion of the issue of the Bonds may have adverse consequences for the Issuer and/or the Bondholders.

NDRC issued the NDRC Foreign Debt Measures on 5 January 2023, which came into effect on 10 February 2023. According to the NDRC Foreign Debt Measures, domestic enterprises, their overseas controlled entities and their overseas controllers (provided that such debt securities are issued in name of the overseas controllers based on the shares, asset, revenues or other similar interest of domestic enterprises) shall procure the registration of any debt securities issued outside the PRC with NDRC prior to the issue of the securities and (i) notify the particulars of the relevant issues within ten business days after the completion of the issue of the securities; (ii) report relevant information and documents in respect of the Bonds with the NDRC within ten working days after expiration of the NDRC pre-issuance registration; (iii) report relevant information and documents in respect of the Bonds via the management and service Internet system on approval and registration of foreign debt of the NDRC within five working days before the end of January and July each year; and (iv) submit relevant information and take measures for isolation of risks in case of any material circumstance that may affect the normal performance of debt obligations, such as debt repayment risk or significant asset restructuring. The Issuer has obtained the NDRC pre-issuance registration on 17 November 2025. The Issuer has undertaken to file or cause to be filed the requisite information and documents in accordance with the NDRC Foreign Debt Measures within the prescribed time after the Issue Date. In case of non-compliance with any of the aforementioned post-issue notification requirements, the Issuer will be ordered to make rectification and, if the non-compliance is material or if no rectification has been made within the prescribed time limit, the Issuer and its principle responsible persons will be given warnings. Furthermore, such non-compliance by the Issuer will be publicized on the website of Credit China and the national enterprise credit information publicity system. Potential investors of the Bonds are advised to exercise due caution when making their investment decisions.

On 12 January 2017, the PBOC issued the Notice of PBOC on Matters Concerning Macro-prudential Management on All-round Cross-border Financing (Yin Fa [2017] No. 9) (中國人民銀行關於全口徑跨境融資宏觀審慎管理有關事宜的通知(銀發[2017]9號)) (“**Cross-border Financing Circular**”) that came into effect on the same date.

According to the Guide to Administrative Approval Services regarding Approval, Registration and Performance Approval of Foreign Debt, Foreign Contingent Liabilities, and Foreign Debt-to-loan Swaps of domestic institutions issued by SAFE on 20 November 2020 (境內機構外債、對外或有負債、外債轉貸款審批、登記及履約核准行政審批服務指南) (the “**SAFE Service Guide**”), if a domestic institution issues bonds overseas, regardless of the maturity, it shall, within 15 working days after the closing of the overseas bonds, register with local branch of SAFE.

To the extent that any Bondholder is a non-resident, according to Cross-Border Financing Circular and SAFE Service Guide, the Issuer may need to file the information relating to the Bonds in the capital project information system with the SAFE within 15 working days after the closing of Bonds.

The Issuer, after filing with the SAFE, may carry out relevant capital settlement for the Issuer according to the withdrawal and repayment arrangement, report the relevant clearing information to the relevant systems of the PBOC and SAFE, and update the information on the transaction in relation to the Bonds (including offshores creditors, maturity, amount, interest rate and net assets). If the Issuer fails to report or update the cross-border financing information in time, the PBOC and the SAFE may circulate the criticism on the Issuer after verification, order a rectification, and impose sanctions according to the Law of the People’s Republic of China on People’s Bank of China and the Law of the People’s Republic of China on Foreign Exchange Control.

The Group’s business, financial condition, results of operations and prospects could be adversely affected by slowdowns in the PRC economy.

The Group primarily conducts its businesses in Guangzhou Development District and substantially all of the Group’s revenue is derived from the PRC. The Group relies, to a significant degree, on the development and economic growth of the PRC, particularly of Guangdong Province, to achieve revenue growth. The global crisis in financial services and credit markets in 2008 caused a slowdown in the growth of the global economy. In 2015, the PRC Government adopted intensive reforms with the primary aim of restructuring and rebalancing the PRC economy towards a more sustainable model by focusing more on domestic consumption and moving away from investment and export fuelled growth. As a consequence of these reforms and instability in the recovery of the international economy, China reported a GDP of RMB123.4 trillion, RMB129.4 trillion and RMB134.9 trillion in 2022, 2023 and 2024, respectively. The year-on-year growth of 6.7 per cent. in 2018 was equal to the lowest growth rate in the previous 28 years, according to the statistics released by the National Statistics Bureau of the PRC. In March 2016, Moody’s Investors Service, Inc. and S&P Global Ratings changed China’s credit rating outlook to “negative” from “stable”, which highlighted the country’s surging debt burden and questioned the government’s ability to enact reforms. The continuing effects of reform in the PRC and the sovereign debt crisis in Europe may have an adverse effect on the global and the PRC economies resulting in continuing uncertainty for the overall prospects for the global and the PRC economies. Any slowdown of the PRC economy may create a credit tightening

environment, increase the Group's financing costs, or reduce government subsidies to the Group, resulting in a material adverse effect on its business, results of operations and financial condition.

Changes in the economic, political and social conditions in the PRC and government policies adopted by the PRC Government could adversely affect the Group's business and prospects.

The PRC economy differs from the economies of developed countries in some respects, including with respect to government involvement, level of development, economic growth rate, control of foreign exchange and allocation of resources. The PRC economy has been transitioning from a planned economy to a more market-oriented economy. In recent years, the PRC Government has implemented a series of measures emphasising market forces for economic reform, the reduction of state ownership of productive assets and the establishment of sound corporate governance in business enterprises.

However, a large portion of productive assets in China continue to be owned by the PRC Government. The PRC Government continues to play a significant role in regulating industrial development, the allocation of resources, production, pricing and management, and there can be no assurance that the PRC Government will continue to pursue the economic reforms or that any such reforms will not have an adverse effect on the Group's business.

The Group's operations and financial results could also be affected by changes in political, economic and social conditions or the relevant policies of the PRC Government. In addition, the growth of development in the economic and technology development zones and infrastructure construction demand in the PRC depends on economic growth. If the PRC's economic growth slows down or if the PRC economy experiences a recession, the growth of development in Chinese economic and technology development zones and infrastructure construction demand may also slow down, and the Group's business prospects maybe adversely affected. The Group's operations and financial results, as well as the Issuer's ability to satisfy its respective obligations under the Bonds, could also be adversely affected by changes to or introduction of measures to control changes in the rate or method of taxation and the imposition of additional restrictions on currency conversion.

Uncertainties with respect to the PRC legal system could adversely affect the Group.

As substantially all of the Group's businesses are conducted, and substantially all of the Group's assets are located, in the PRC, the Group's operations are governed principally by PRC laws and regulations. The PRC legal system is based on written statutes while prior court decisions can only be cited as reference. Since 1979, the PRC Government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organisation and governance, commerce, taxation, foreign exchange and trade, with a view to developing a comprehensive system of commercial law. However, because these laws and regulations are relatively new (including but not limited to the Regulation on the Financing Activities Conducted by Financial Enterprises for Local Governments and State-owned Enterprises (財政部關於規範金融企業對地方政府和國有企業投融資行為有關問題的通知) (財金[2018]23號) (the "MOF Circular") promulgated on 28 March 2018 and took effect on the same day, the Circular 706 promulgated on 11 May 2018 and took effect on the same day, and the Notice of the General Office of the National Development and Reform Commission on Relevant Requirements for Record-filing and Registration of Issuance of Foreign Debts by Local

State-owned Enterprises (國家發展改革委辦公廳關於對地方國有企業發行外債申請備案登記有關要求的通知) (發改辦外資[2019]666號) (the “**Circular 666**”) promulgated on 6 June 2019 and took effect on the same day), and because of the limited volume of published decisions and their non-binding nature, the interpretation and enforcement of these laws and regulations in different areas involve uncertainties. In addition, the PRC legal system is based, in part, on government policies and internal rules that may have a retroactive effect. As a result, the Group may not be aware of the Group’s violation of these policies and rules until sometime after the violation. In addition, any litigation in China may be protracted and result in costs and diversion of resources and management’s attention and it may be difficult to obtain a swift enforcement of laws in the PRC, or the enforcement of judgements by a court of another jurisdiction. These uncertainties relating to the interpretation and implementation of PRC laws and regulations may affect the legal protections and remedies that are available to the Group in its operations and to the holders of the Bonds.

Investors may experience difficulties in effecting service of legal process and enforcing judgments against the Group and the Group’s management.

The Company and most of the Company’s subsidiaries are incorporated in the PRC. A substantial portion of the Group’s assets are located in the PRC. In addition, most of the Company’s directors, supervisors and executive officers reside within the PRC and the assets of the Group’s directors and officers may be located within the PRC. As a result, it may not be possible to effect service of process outside the PRC upon most of the Group’s directors, supervisors and senior management, including for matters arising under applicable securities laws. The Issuer has irrevocably submitted to the exclusive jurisdiction of the Hong Kong courts in the transaction documents relating to the Bonds. Hong Kong and the PRC have entered into certain arrangements on the reciprocal recognition and enforcement of judgments in civil and commercial matters (the “Reciprocal Arrangements”) which allow for a final court judgment (relating to the payment of money or other civil or commercial proceeding) rendered by a Hong Kong court or PRC court (as the case may be) to be recognised and enforced in the PRC or Hong Kong (as the case may be), provided certain conditions are met. However, certain matters may be excluded under the Reciprocal Arrangements and a judgment may be refused to be recognised and enforced by the requested place in certain circumstances such as for public policy reasons or where the judgment was obtained by fraud. As a general matter, a judgment of a court of another jurisdiction may be reciprocally recognised or enforced if the jurisdiction has a treaty with China or if judgments of the PRC courts have been recognised before in that jurisdiction, subject to the satisfaction of other requirements. The PRC signed the Hague Convention on Choice of Court Agreements (the “Hague Convention”) in September 2017 which is intended to promote the use of exclusive choice of court agreements in international contracts and facilitate the creation of a recognition and enforcement regime for court judgements between contracting States. China has not entered into treaties and arrangements providing for the reciprocal recognition and enforcement of judgments of courts with many countries, including Japan, the United States and the United Kingdom. Therefore, it may be difficult for investors to enforce any judgments obtained from such foreign courts against the Group, the Company, or any of their respective directors, supervisors or senior management in the PRC.

Government control of currency conversion may adversely affect the value of investors' investments.

Most of the Group's revenue is denominated in Renminbi, which is also the reporting currency. Renminbi is not a freely convertible currency. A portion of the Group's cash may be required to be converted into other currencies in order to meet the Group's foreign currency needs, including payments of distribution, principal and premium on the Bonds. However, the PRC Government may restrict future access to foreign currencies for current account transactions at its discretion. If this were to occur, the Group might not be able to pay distribution, principal and premium to the holders of the Bonds in foreign currencies. Moreover, foreign exchange transactions under capital accounts in the PRC continue to be not freely convertible and require the approval of or the registration with the SAFE or its local branch. These limitations could affect the Group's ability to obtain foreign currencies through equity or debt financing, or to obtain foreign currencies for capital expenditure and as a result, the Group's capital expenditure plans, business operations and consequently its results of operations and financial condition, as well as its ability to satisfy its obligations under the Bonds could be materially and adversely affected.

The payment of dividends by the operating subsidiaries in the PRC is subject to restrictions under PRC law.

PRC laws require that dividends be paid only out of net profits, calculated according to PRC accounting principles, which differ from generally accepted accounting principles in other jurisdictions. In addition, PRC law requires enterprises to set aside part of their net profits as statutory reserves before distributing the net profits for the current financial year. These statutory reserves are not available for distribution as cash dividends. Since the availability of funds to fund the Company's operations and to service its indebtedness depends upon dividends received from its subsidiaries, any legal restrictions on the availability and usage of dividend payments from the Company's subsidiaries may impact the Company's ability to fund its operations and to service its indebtedness.

In addition, the Group is subject to certain restrictive covenants in the financing arrangements entered into by the Company's subsidiaries and certain banks. For instance, loan agreements with certain commercial banks may restrict the Company's subsidiaries from paying any dividends to the Company or repaying intercompany loans before the loan is fully repaid.

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

Certain facts and other statistics in this Offering Circular relating to the PRC, its economy or the relevant industry in which the Group operates have been directly or indirectly derived from official government publications and certain other public industry sources and although the Group believes such facts and statistics are accurate and reliable, it cannot guarantee the quality or the reliability of such source materials. They have not been prepared or independently verified by the Group, the Managers or any of its or their respective affiliates, employees, directors, agents, advisers or representatives, and, therefore, none of the Company, the Joint Global Coordinators, the Managers, the Agents or any of its or their respective affiliates, employees, directors, agents, advisers or representatives makes any representation as to the completeness, accuracy or fairness of such facts or other statistics, which may not be consistent with other information compiled

within or outside the PRC. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be incomplete, inaccurate or unfair or may not be comparable to statistics produced for other economies or the same or similar industries in other countries and should not be unduly relied upon. Furthermore, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In all cases, investors should give consideration as to how much weight or importance they should attach to or place on such facts or other statistics.

RISKS RELATING TO THE BONDS

As a holding company, the Issuer has only limited sources of funding in order to meet its debt obligations.

As a holding company, the Issuer operates its business mainly through its subsidiaries. Accordingly, the Issuer has limited sources of funding available to it to service its debts and its ability to meet the obligations under its debt obligations. These mainly include dividends and repayments on intercompany loans received from its subsidiaries, as well as divestments of investment assets and obtaining external financing.

With respect to dividends and repayments of intercompany loans from its subsidiaries, if a subsidiary of the Issuer incurs any debt, such debt may impair the Issuer's subsidiaries from distributing dividends or making other distributions to the Issuer ultimately. In addition, PRC laws require that dividends can only be paid out of the net profit calculated according to PRC GAAP and financial regulations in the PRC. In addition, the PRC laws require the companies incorporated in the PRC to set aside part of their net income as statutory reserves. These statutory reserves are not available for distribution as cash dividends. Such restrictions may have an adverse effect on the Issuer's ability to service its debts and its ability to meet its debt obligations as the Issuer relies heavily on dividends and repayments from its subsidiaries.

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

As the Issuer is incorporated under the laws of the PRC, any insolvency proceeding relating to the Issuer, even if brought in other jurisdiction, would likely involve the PRC insolvency laws. The procedural and substantive provisions of the laws of the PRC may differ from comparable provisions of the local insolvency laws of jurisdictions with which the Bondholders are familiar.

An active trading market for the Bonds may not develop.

The Bonds are a new issue of securities for which there is currently no trading market. Although application will be made for the listing of, and permission to deal in, the Bonds on the SGX-ST or the Hong Kong Stock Exchange by way of debt issues to Professional Investors only, there is no assurance that the Issuer will obtain or be able to maintain a listing on the SGX-ST or the Hong Kong Stock Exchange, or that, if listed, a liquid trading market will develop, or as to the liquidity or sustainability of any such market, the ability of Bondholders to sell their Bonds or the price at which Bondholders will be able to sell their Bonds. None of the Managers is obligated to make a market in the Bonds, and if the Managers do so they may discontinue such market-making activity at any time without

notice. Further, the Bonds may be allocated to a limited number of investors, in which case liquidity may be limited. In addition, the Bonds are being offered pursuant to exemptions from registration under the Securities Act and, as a result, the holders of the Bonds will only be able to resell the Bonds in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act.

Investors in the Bonds may be subject to foreign exchange risks.

The Bonds are denominated and payable in U.S. dollars. An investor who measures investment returns by reference to a currency other than U.S. dollars would be subject to foreign exchange risks by virtue of an investment in the Bonds, due to, among other things, economic, political and other factors over which the Issuer does not have any control. Depreciation of the U.S. dollars against such currency could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss when the return on the Bonds 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 the Bonds.

International financial markets and world economic conditions may adversely affect the market price of the Bonds.

The market price of the Bonds may be adversely affected by declines in the international financial markets and world economic conditions. The market for the Bonds is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issues in other countries, including the PRC. Since the global financial crisis in 2008 and 2009, the international financial markets have experienced significant volatility. If similar developments occur in the international financial markets in the future, the market price of the Bonds could be adversely affected.

For example, since July 2018, the U.S. and PRC had made various announcements or threats to increase and impose tariffs on goods from the other country. On 15 January 2020, the two sides showed signs of making a truce by signing the Phase 1 Deal pursuant to which, amongst other things, the U.S. committed to cut some tariffs on Chinese goods and the PRC pledged to purchase more U.S. goods and address some intellectual property complaints. The effect of such tariffs on the economy of the PRC and the U.S. is yet to be seen, and the trade dispute between the PRC and the U.S. and the increasing amount of the tariff that the U.S. plans to impose on Chinese imports may have an adverse effect on the global and the PRC economies resulting in continuing uncertainty for the overall prospects for the global and the PRC economies this year and beyond.

As a result, the global economy is facing significant uncertainties and the global financial markets are experiencing significant volatilities which may adversely affect the market price of the Bonds. Investors must exercise caution before making any investment decisions.

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

The price and trading volume of the Bonds may be highly volatile. Factors such as variations in each of the Group's revenue, earnings and cash flows and proposals of new investments, strategic alliances and/or acquisitions, interest rates and fluctuations in prices

for comparable companies or any adverse change in the credit rating, revenues, earnings or results of operations could cause the price of the Bonds to change. Any such developments may result in large and sudden changes in the volume and price at which the Bonds will trade. There can be no assurance that these developments will not occur in the future.

Modifications and waivers may be made in respect of the Terms and Conditions of the Bonds, the Trust Deed and the Agency Agreement by the Trustee or less than all of the holders of the Bonds.

The Terms and Conditions of the Bonds provide that the Trustee may, without the consent of Bondholders, agree to any modification (except as mentioned in the Trust Deed) of the Trust Deed, the Agency Agreement and/or the Terms and Conditions of the Bonds which in the opinion of the Trustee will not be materially prejudicial to the interests of Bondholders and to any modification of the Trust Deed, the Agency Agreement and/or the Terms and Conditions of the Bonds which in the opinion of the Trustee is of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of law.

In addition, the Trustee may, without the consent of the Bondholders, authorise or waive any proposed breach or actual breach of, or any failure to comply with, any of the provisions of the Bonds, the Trust Deed, the Agency Agreement, and/or the Terms and Conditions of the Bonds (other than a proposed breach, or a breach relating to the subject of certain reserved matters) if, in the opinion of the Trustee, the interests of the Bondholders will not be materially prejudiced thereby.

The Trustee may request the Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction.

In certain circumstances (including, without limitation, giving of notice to the Issuer pursuant to Condition 9 of the Terms and Conditions and taking steps and/or actions and/or instituting proceedings pursuant to Condition 13 of the Terms and Conditions), the Trustee may (at its sole discretion) request Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes steps and/or actions and/or institutes proceedings on behalf of the Bondholders. The Trustee shall not be obliged to take any such steps and/or actions and/or institute such proceedings if not first indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such steps and/or actions and/or proceedings can be taken and/or instituted. The Trustee may not be able to take steps and/or actions and/or institute proceedings, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Trust Deed constituting the Bonds and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable laws and regulations, it will be for the Bondholders to take such steps and/or actions and/or institute such proceedings directly.

Gains on the transfer of the Bonds and distribution payable by the Issuer to overseas Bondholders may be subject to income tax and value-added tax under PRC tax laws.

Under the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法) (the “EIT Law”) which took effect on 1 January 2008, amended on 24 February 2017 and 29 December 2018, and its implementation rules, any gains realised on the transfer of the

Bonds by Bondholders who are deemed under the EIT Law as non-resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as income derived from sources within the PRC. Under the EIT Law, a “non-resident enterprise” means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained income derived from sources within the PRC. There remains uncertainty as to whether the gains realised on the transfer of the Bonds by enterprise holders would be treated as income derived from sources within the PRC and be subject to PRC enterprise income tax. In addition, there is uncertainty as to whether gains realised on the transfer of the Bonds by individual Bondholders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains are subject to PRC income tax, the 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total income obtained from the transfer of the Bonds minus all costs and expenses that are permitted under PRC tax laws to be deducted from the income. According to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排), which was promulgated on 21 August 2006 (the “**Arrangement**”), Bondholders who are Hong Kong residents, including both enterprise holders and individual holders, will be exempted from PRC income tax on capital gains derived from a sale or exchange of the Bonds if such capital gains are not connected with an office or establishment that the Bondholders have in the PRC and all the other relevant conditions are satisfied.

Pursuant to the EIT Law, the PRC Individual Income Tax Law (中華人民共和國個人所得稅法) (the “**IIT Law**”) which took effect on 1 January 2019, and the implementation regulations in relation to both the EIT Law and IIT Law, PRC income tax at a rate of 10 per cent. or 20 per cent. is normally applicable to PRC-source income derived by non-resident enterprises or individuals respectively, subject to adjustment by applicable treaty. As the Issuer is a PRC resident enterprise for tax purposes, distribution paid to non-resident Bondholders may be regarded as PRC-sourced, and therefore be subject to PRC income tax at a rate of 10 per cent. for non-resident enterprise Bondholders and at a rate of 20 per cent. for non-resident individual Bondholders (or a lower treaty rate, if any).

On 23 March 2016, the MOF and the SAT issued the Circular of Full Implementation of Replacing Business Tax with Value-Added Tax Reform (財政部、國家稅務總局關於全面推開營業稅改徵增值稅試點的通知) (Caishui [2016] No. 36) (“**Circular 36**”), which introduced a new value-added tax (“**VAT**”) from 1 May 2016 and was amended on 11 July 2017 and 20 March 2019. VAT is applicable where entities or individuals provide services within the PRC. The services are treated as being provided within the PRC where either the service provider or the service recipient is located in the PRC. The services subject to VAT include the provision of financial services such as the provision of loans. It is further clarified under Circular 36 that the “loans” refers to the activity of lending capital for another’s use and receiving the interest income thereon. If the issuance of Bonds is treated by the relevant tax authorities as the Bondholders providing financing services within the PRC, the Issuer will be obligated to withhold VAT of 6 per cent. and certain surcharges on VAT for payments of distribution and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals. The Issuer will be obligated to withhold VAT of

6 per cent. and certain surcharges on VAT for payments of distribution and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals. VAT is unlikely to be applicable to any transfer of Bonds between entities or individuals located outside of the PRC and therefore unlikely to be applicable to gains realised upon such transfers of Bonds, but there is uncertainty as to the applicability of VAT if either the seller or buyers of Bonds is located inside the PRC, Circular 36 together with other laws and regulations pertaining to VAT are relatively new, the interpretation and enforcement of such laws and regulations involve uncertainties.

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

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

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

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Bonds, the merits and risks of investing in the relevant Bonds and the information contained in this Offering Circular;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Bonds and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Bonds;
- understand thoroughly the terms of the relevant Bonds and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in Bonds which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of such Bonds and the impact this investment will have on the potential investor's overall investment portfolio.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) Bonds are legal investments for it, (b) Bonds can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase of any Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

The Bonds may not be a suitable investment for all investors seeking exposure to green assets.

The Issuer has developed the Green Finance Framework and intend to adopt certain obligations with respect to the issue of Green Bonds as described in the section headed “Green Finance Framework.” The Issuer intends to issue Green Bonds to finance and/or refinance Eligible Green Projects as defined in the Company’s Green Finance Framework. The Issuer cannot guarantee that it will be able to comply with the obligations as set out in the Green Finance Framework. However, it will not be an event of default under the terms of the Bonds if the Issuer fails to comply with such obligations. Such failure may affect the value of the Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green assets. Therefore, the Bonds may not be a suitable investment for all investors seeking exposure to green assets.

In addition, in connection with the issue of the Bonds, the Issuer has requested the Hong Kong Quality Assurance Agency (the “**HKQAA**”) to issue independent certification (a “**HKQAA Pre-issuance Stage Certificate**”) confirming that the Bonds are in compliance with the requirements of the Green Finance Certification Scheme operated by the HKQAA (the “**HKQAA Green Finance Certification Scheme**”). The HKQAA Green Finance Certification Scheme is a set of voluntary guidelines that aims to facilitate the development of green finance and the green industry. The HKQAA Pre-issuance Stage Certificate has been obtained for the Bonds. See the section headed “*Green Finance Framework*” of this Offering Circular for more details.

There is currently no market consensus on what precise attributes are required for a particular project to be defined as “green,” and therefore no assurance can be provided to potential investors that the eligible green projects will continue to meet the relevant eligibility criteria. Although applicable green projects are expected to be selected in accordance with the categories recognized by the HKQAA Green Finance Certification Scheme and are expected to be developed in accordance with applicable legislation and standards, there can be no guarantee that adverse environmental and/or social impacts will not occur during the design, construction, commissioning and/or operation of any such green projects. Where any negative impacts are insufficiently mitigated, green projects may become controversial, and/or may be criticized by activist groups or other stakeholders.

The HKQAA Pre-issuance Stage Certificate is not incorporated into, and does not form part of this Offering Circular. The HKQAA Pre-issuance Stage Certificate may not reflect the potential impact of all risks related to the Bonds, their marketability, trading price or liquidity or any other factors that may affect the price or value of the Bonds. The HKQAA Pre-issuance Stage Certificate is not a recommendation to buy, sell or hold securities and is only current as of its date of issue. While the Issuer intends to use the proceeds from the issuance of the Bonds in accordance with the Green Finance Framework, it would not be an Event of Default under the Description of the Bonds if it were to fail to comply with such obligations or were to fail to use the proceeds in the manner specified in the relevant terms and conditions and/or the HKQAA Pre-issuance Stage Certificate, the Attestation Report and/or any other certification were to be withdrawn. Any failure to use the net proceeds in the manner specified in this Offering Circular, and/or any failure to meet, or to continue to meet, the investment requirements of certain investors with environmental and/or social concerns with respect to the Bonds, may affect the value and/or trading price of the Bonds, and/or may have consequences for certain investors with portfolio mandates to invest in green projects. In the event that the Bonds are included in any dedicated “green,” “environmental”, “sustainable” or other equivalently-labelled index, no representation or

assurance is given by the Company or any other person that such listing or admission, or inclusion in such index, satisfies any present or future investor expectations or requirements as regards to any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable laws or regulations or by its own constitutive documents or other governing rules or investment portfolio mandates. None of the Issuer, the Managers, the Trustee nor the Agents make any representation as to the suitability or reliability for any purpose of the HKQAA Pre-issuance Stage Certificate, the Attestation Report or any other certification or whether the Bonds fulfil, in whole or in part, the relevant environmental criteria or any present or future investor expectations or requirements.

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

The Terms and Conditions and the transaction documents are governed by English law, whereas parties to these documents have submitted to the exclusive jurisdiction of the Hong Kong courts. In order to hear English law governed matters or disputes, Hong Kong courts may require certain additional procedures to be taken. On 18 January 2019, Hong Kong and the PRC entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters between the Courts of the Mainland and of the Hong Kong Special Administrative Region (最高人民法院關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排) (the “**2019 Arrangement**”). The 2019 Arrangement came into effect on 29 January 2024, and applies to judgments made on or after such effective date. Under the 2019 Arrangement, judgments of Hong Kong courts are likely to be recognised and enforced by the PRC courts where the contracting parties to the transactions pertaining to such judgments have agreed to submit to the exclusive jurisdiction of Hong Kong courts.

However, recognition and enforcement of a Hong Kong court judgment could be refused if the PRC courts consider that the enforcement of such judgment is contrary to the social and public interest of the PRC or meets other circumstances specified by the 2019 Arrangement. While it is expected that the PRC courts will recognise and enforce a judgment given by Hong Kong courts in respect of a dispute governed by English law, there can be no assurance that the PRC courts will do so for all such judgments as there is no established practice in this area. Compared to other similar debt securities issuances in the international capital markets where the relevant holders of the debt securities would not typically be required to submit to an exclusive jurisdiction, the holders of the Bonds will be deemed to have submitted to the exclusive jurisdiction of the Hong Kong courts, and thus the holder’s ability to initiate a claim outside of Hong Kong will be limited.

A change in English law which governs the Bonds may adversely affect the Bondholders.

The “*Terms and Conditions of the Bonds*” are based on English law in effect as at the date of issue of the Bonds. No assurance can be given as to the impact of any possible judicial decision or change to English law, or administrative practices after the date of issue of the Bonds and any such change could materially adversely impact the value of any Bonds affected by it.

The Bonds will initially be represented by a Global Certificate and holders of a beneficial interest in a Global Certificate must rely on the procedures of the relevant Clearing System.

The Bonds will initially be represented by a Global Certificate. Such Global Certificate will be registered in the name of a nominee for, and deposited with a common depository for Euroclear and Clearstream. Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive bonds. The relevant clearing system will maintain records of the beneficial interests in the Global Certificate. While the Bonds are represented by the Global Certificate, investors will be able to trade their beneficial interests only through the clearing systems.

While the Bonds are represented by the Global Certificate, the Issuer will discharge its payment obligations under the Bonds by making payments to the common depository for Euroclear and Clearstream for distribution to their account holders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of the relevant clearing system to receive payments under the Bonds. The Issuer, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents and each person who controls any of them nor any of their respective affiliates have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

Holders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system to appoint appropriate proxies.

Bondholders should be aware that a definitive Certificate which has a principal amount that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

In relation to any Bond which has a principal amount consisting of a minimum specified denomination plus a higher integral multiple of another smaller amount, it is possible that the Bonds may be traded in amounts in excess of the minimum specified denomination that are not integral multiples of such minimum specified denomination. In such a case a Bondholder who, as a result of trading such amounts, holds a principal amount of less than the minimum specified denomination will not receive a definitive certificate in respect of such holding (should definitive Bonds be printed) and would need to purchase a principal amount of Bonds such that it holds an amount equal to one or more specified denominations. If definitive Bonds are issued, holders should be aware that a definitive certificate which has a principal amount that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

The Bonds are unsecured obligations.

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

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

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

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

The Issuer may redeem the Bonds at its option, in whole but not in part, at a redemption price equal to 100 per cents. of their principal amount, together with any interest accrued to (but not including) the date fixed for redemption if, subject to certain conditions, as a result of a change in tax law, the Issuer has or will become obliged to pay Additional Tax Amounts (as defined in the Terms and Conditions), as further described in Condition 6(b) of the Terms and Conditions.

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

The Issuer may not be able to meet their outstanding obligations under the Bonds.

The Issuer may (and at maturity, will) be required to redeem all of the Bonds. If such an event were to occur, the Issuer may not have sufficient cash on hand and may not be able to arrange financing to redeem the Bonds in time, or on acceptable terms, or at all. The ability to redeem the Bonds in such event may also be limited by the terms of other debt instruments. Failure to repay, repurchase or redeem tendered Bonds by or on behalf of the Issuer may constitute an event of default under the Bonds, which may also constitute a default under the terms of the Issuer's other indebtedness.

The Issuer may issue additional Bonds in the future.

The Issuer may, from time to time, and without prior consultation with the Bondholders create and issue further bonds (see "*Terms and Conditions of the Bonds — Further Issues*") or otherwise raise additional capital through such means and in such manner as the Group may consider necessary. There can be no assurance that such future issuance or capital raising activity will not adversely affect the market price of the Bonds.

Decisions that may be made on behalf of all holders of the Bonds may be adverse to the interests of individual holders of the Bonds.

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

The PRC government has no payment or other obligations under the Bonds.

The PRC government is not an obligor and Bondholders shall have no recourse to the PRC government in respect of any obligation arising out of or in connection with the Bonds in lieu of the Issuer. This position has been reinforced by the Regulation on the Financing

Activities Conducted by Financial Enterprises for Local Governments and State-owned Enterprises (財政部關於規範金融企業對地方政府和國有企業投融資行為有關問題的通知) (財金[2018]23號) and the Circular of the National Development and Reform Commission and the Ministry of Finance on Improvement of Market Regulatory Regime and Strict Prevention of Foreign Debt Risks and Local Government Indebtedness Risks (國家發展改革委、財政部關於完善市場約束機制嚴格防範外債風險和地方債務風險的通知) (發改外資[2018]706號). Both Circulars are relatively new, and because of the limited volume of published decisions, the interpretation and enforcement of these laws and regulations involve uncertainties. The PRC government as the ultimate shareholder of the Issuer only has limited liability in the form of its equity contribution in the Issuer. As such, the PRC government does not have any payment obligations under the Bonds. The Bonds are solely to be repaid by the Issuer as independent legal persons.

The ratings of the Bonds and the Issuer may be downgraded or withdrawn.

Fitch has assigned a corporate rating of “BBB+” with a stable outlook to the Issuer. The Bonds are expected to be rated “BBB+” by Fitch. A rating is not a recommendation to buy, sell or hold the Bonds and may be subject to suspension, reduction or withdrawn at any time. Any decline in the financial position of the Issuer or any of its subsidiaries may result in the rating of the Issuer being revised, suspended or withdrawn entirely. In October 2023, Moody’s Investors Service, Inc. downgraded the Issuer’s corporate rating from “Baa1” to “Baa2” while maintaining negative outlook on the Issuer. There is no assurance that the Issuer will not experience further downgrades or withdrawals of its credit ratings. The Issuer is not obligated to inform holders of the Bonds if a rating is lowered or withdrawn. Any adverse change in an applicable credit rating could adversely affect the trading price for the Bonds.

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

The Bonds will carry fixed interest rates. Consequently, investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. If Bondholders sell the Bonds they hold before the maturity of such Bonds, they may receive an offer less than their investment.

Certain facts and statistics are derived from publications not independently verified by the Group or the Managers.

Facts and statistics in this Offering Circular relating to global economy and the relevant industry are derived from publicly available sources. While each of the Issuer has taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by any of the Issuer, the Managers, the Trustee or the Agents or any of their respective directors, officers, employees, affiliates, advisers or agents and, therefore, neither the Issuer, nor such parties make any representation as to the accuracy of such facts and statistics. Due to possibly flawed or ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon. Further, each of the Issue nor such parties cannot assure investors that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

EXCHANGE RATES

PBOC sets and publishes daily a base exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the market during the prior day. The PBOC also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. On 21 July 2005, the PRC government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. On the same day, the value of the Renminbi appreciated by 2 per cent. against the U.S. dollar. The PRC government has since made and in the future may make further adjustments to the exchange rate system. On 18 May 2007, the PBOC enlarged, effective on 21 May 2007, the floating band for the trading prices in the inter-bank spot exchange market of Renminbi against the U.S. dollar to allow the Renminbi to fluctuate against the U.S. dollar by up to 0.5 per cent. above or below the central parity rate published by the PBOC. The floating band was further widened to 1.0 per cent. on 16 April 2012. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar by approximately 26.9 per cent. from 21 July 2005 to 31 December 2013. On 14 March 2014, the PBOC further widened the floating band against the U.S. dollar to 2.0 per cent. On 11 August 2015, the PBOC announced to improve the central parity quotations of Renminbi against the U.S. dollar by authorising market-makers to provide central parity quotations to the China Foreign Exchange Trading Centre daily before the opening of the interbank foreign exchange market with reference to the interbank foreign exchange market closing rate of the previous day, the supply and demand for foreign exchange as well as changes in major international currency exchange rates. This change, and other changes such as widening the trading band that may be implemented, may increase volatility in the value of the Renminbi against foreign currencies. In 2016 Renminbi experienced significant depreciation in value against the U.S. dollar but in 2017 and 2018 rebounded and appreciated significantly against the U.S. dollar. In August 2019, the PBOC on 5 August 2019 set the Renminbi's daily reference rate below 7 per U.S. dollar for the first time in over a decade amidst an uncertain trade and global economic climate. There remains significant international pressure on the PRC Government to adopt an even more flexible currency policy, which could result in further and more significant depreciation of the Renminbi against the U.S. dollar. The PRC government may from time to time make further adjustments to the exchange rate system in the future.

The following table sets forth information concerning exchange rates between the Renminbi and the U.S. dollar for the periods presented:

Period	Exchange		Rate	
	Period End	Average ⁽¹⁾	High	Low
	<i>(RMB per US\$1.00)</i>			
2018	6.8755	6.6292	6.9737	6.2726
2019	6.9618	7.0137	7.0609	6.9618
2020	6.5250	6.9042	7.1681	6.5208
2021	6.3726	6.4382	6.5716	6.3435
2022	6.8972	6.7290	7.3048	6.3084
2023	7.0999	7.0896	7.3430	6.7010
2024	7.2993	7.1957	7.2993	7.0106

Period	Exchange		Rate	
	Period End	Average ⁽¹⁾	High	Low
	<i>(RMB per US\$1.00)</i>			
2025				
May	7.1991	7.2166	7.2706	7.1798
June	7.1636	7.1804	7.1975	7.1636
July	7.2002	7.1741	7.2002	7.1541
August	7.1304	7.1727	7.2116	7.1304
September	7.1190	7.1235	7.1415	7.1033
October	7.1169	7.1200	7.1384	7.0980
November (through 14 November) . .	7.0992	7.1161	7.1295	7.0950

⁽¹⁾ Determined by averaging the rates on the last business day of each month during the relevant year, except for the average rates of the relevant periods in 2024 and 2025, which are determined by averaging the daily rates during the periods indicated.

TERMS AND CONDITIONS OF THE BONDS

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

The issue of the U.S.\$500,000,000 4.4 per cent. bonds due 2027 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further bonds issued in accordance with Condition 15 and consolidated and forming a single series therewith) was authorised by a resolution of the board of directors of Guangzhou Development District Holding Group Limited (廣州開發區控股集團有限公司) (the “**Issuer**”) passed on 26 February 2025 and was approved by State-owned Assets Supervision and Administration Bureau of Guangzhou Development District (廣州開發區國有資產監督管理局) on 29 April 2025. The Bonds are constituted by a trust deed (as amended and/or supplemented from time to time, the “**Trust Deed**”) dated on or about 28 November 2025 (the “**Issue Date**”) between the Issuer and China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the holders of the Bonds. These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bonds. An agency agreement (as amended and/or supplemented from time to time, the “**Agency Agreement**”) dated on or about 28 November 2025 relating to the Bonds has been entered into between the Issuer, the Trustee, and China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as the principal paying agent (in that capacity, the “**Principal Paying Agent**”, which expression shall include any successor thereof), as the registrar (in that capacity, the “**Registrar**”, which expression shall include any successor thereof) and as the transfer agent (in that capacity, the “**Transfer Agent**”, which expression shall include any successor or additional transfer agent appointed from time to time) and any other agents named in it. Copies of the Trust Deed and the Agency Agreement are available for inspection by the Bondholders (as defined below) at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays)) at the specified office of the Principal Paying Agent being as at the Issue Date at 3/F, CCB Tower, 3 Connaught Road Central, Central, Hong Kong following prior written request and with proof of holding and identity satisfactory to the Principal Paying Agent. “**Agents**” means the Principal Paying Agent, the Registrar, the Transfer Agent and any other agent or agents appointed from time to time pursuant to the Agency Agreement with respect to the Bonds including their respective successors. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed are deemed to have notice of those provisions applicable to them of the Agency Agreement.

All capitalised terms that are not defined in these terms and conditions (these “**Conditions**”) will have the meanings given to them in the Trust Deed.

1 FORM, SPECIFIED DENOMINATION AND TITLE

The Bonds are in registered form issued in the specified denomination of U.S.\$200,000 (each, a “**Specified Denomination**”) and integral multiples of U.S.\$1,000 in excess thereof.

The Bonds are represented by registered certificates (the “**Certificates**”) and, save as provided in Condition 2(a), each Certificate shall represent the entire holding of Bonds by the same holder.

Title to the Bonds shall pass by transfer and registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as otherwise required by law, the holder (as defined below) of any Bond shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on the Certificate (other than the endorsed form of transfer) representing it or the theft or loss of such Certificate and no person shall be liable for so treating the holder.

In these Conditions, “**Bondholder**” and, in relation to a Bond, “**holder**” mean the person in whose name a Bond is registered in the Register (or in the case of a joint holding, the first named thereof).

*Upon issue, the Bonds will be represented by a global certificate (the “**Global Certificate**”) registered in the name of a nominee of, and deposited with, a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”). These Conditions are modified by certain provisions contained in the Global Certificate. See “Summary of Provisions Relating to the Bonds in Global Form”.*

2 TRANSFERS OF BONDS AND DELIVERY OF NEW CERTIFICATES

- (a) **Transfer:** A holding of Bonds may, subject to the Agency Agreement and Conditions 2(d) and 2(e), be transferred in whole or in part upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate(s) representing such Bonds to be transferred, together with the form of transfer endorsed on such Certificate(s) (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or the relevant Transfer Agent may require; **provided, however**, that a Bond may not be transferred unless the principal amount of Bonds transferred and (where not all of the Bonds held by a holder are being transferred) the principal amount of the balance of Bonds not transferred are Specified Denominations. In the case of a transfer of part only of a holding of Bonds represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. In the case of a transfer of Bonds to a person who is already a holder of Bonds, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding. No transfer of title to a Bond will be valid unless and until entered on the Register.

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

- (b) **Delivery of New Certificates:** Each new Certificate to be issued upon transfer of Bonds pursuant to Condition 2(a) shall be made available for delivery within seven business days of receipt of a duly completed form of transfer and surrender of the existing Certificate(s). Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery of such form of transfer or surrender of Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the

risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(b), “**business day**” means a day, other than a Saturday or Sunday or public holiday, on which commercial banks are generally open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

Except in the limited circumstances described in the Global Certificate, owners of interests in Bonds represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Bonds. The Bonds are not issuable in bearer form.

- (c) **Transfer or Exercise Free of Charge:** Certificates, on transfer, shall be issued and registered without charge to the relevant Bondholder by or on behalf of the Issuer, the Registrar or any Transfer Agent, but upon (i) payment by the relevant Bondholder of any tax, duty or other governmental charges that may be imposed in relation to them (or the giving of such indemnity and/or security and/or pre-funding as the Registrar or the relevant Transfer Agent may require in respect thereof); (ii) the Registrar or the relevant Transfer Agent being satisfied in its absolute discretion with the documents of title or identity of the person making the application; and (iii) the relevant Agent being satisfied that the Regulations (as defined in Condition 2(e)) concerning transfer of Bonds have been complied with.
- (d) **Closed Periods:** No Bondholder may require the transfer of a Bond to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of that Bond, (ii) after a Put Exercise Notice has been deposited in respect of such Bond pursuant to Condition 6(c), (iii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7(a)), or (iv) during the period of 15 days prior to (and including) any date on which Bonds may be called for redemption by the Issuer pursuant to Condition 6(b).
- (e) **Regulations:** All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer and registration of Bonds (the “**Regulations**”), the initial form of which is scheduled to the Agency Agreement. Each of the Issuer and the Registrar may change the regulations from time to time, with the prior written approval of the Trustee and (in the case of any regulation proposed by the Issuer) of the Registrar. A copy of the current regulations will be made available (free of charge to the Bondholder and at the Issuer’s expense) by the Registrar to any Bondholder following written request and proof of holding and identity satisfactory to the Registrar and is available for inspection by any Bondholder at the specified office of the Registrar at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays)) following prior written request and proof of holding and identity satisfactory to the Registrar.

3 STATUS

The Bonds constitute direct, unsubordinated, unconditional and (subject to Condition 4(a)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the

Bonds shall, save for such exceptions as may be provided by applicable law and subject to Condition 4(a), at all times rank at least equally with all the Issuer's other present and future unsecured and unsubordinated obligations.

4 COVENANTS

- (a) **Negative Pledge:** So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer will not, and the Issuer will ensure that none of its Subsidiaries will, create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds (i) the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or (ii) such other security as either (A) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Bondholders or (B) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.
- (b) **Undertakings Relating to Foreign Debt Registration:** The Issuer undertakes that it will (i) within fifteen PRC Business Days after the Issue Date, file or cause to be filed with SAFE the Bonds pursuant to the Administrative Measures for Foreign Debt Registration (外債登記管理辦法) and its operating guidelines, effective as of 13 May 2013 as amended on 4 May 2015, the Guidelines for Foreign Exchange Business under the Capital Account (2024 Version) (資本項目外匯業務指引(2024年版)) and the People's Bank of China on Issues Concerning the Overall Macro Prudential Management System for Cross-border Financing (中國人民銀行關於全口徑跨境融資宏觀審慎管理有關事宜的通知) (the "**Foreign Debt Registration**"), (ii) use its best endeavours to complete the Foreign Debt Registration and obtain a registration record from SAFE on or before the Registration Deadline and (iii) comply with all applicable PRC laws and regulations in relation to the Foreign Debt Registration and any implementing measures promulgated thereunder from time to time.
- (c) **Undertakings relating to NDRC:** The Issuer undertakes to (i) within ten PRC Business Days after the Issue Date, file or cause to be filed with NDRC the requisite issuance information and documents (the "**NDRC Post-issue Filing**") in accordance with the Administrative Rules for the Rules and Registration of Medium- and Long-Term Foreign Debts of Enterprises (企業中長期外債審核登記管理辦法, 中華人民共和國國家發展和改革委員會第56號令) which took effect on 10 February 2023 (the "**NDRC New Rules**") and its guidance rules in connection therewith, and (ii) comply with all applicable PRC laws and regulations in relation to the issue of the Bonds.
- (d) **Notification of Completion of the Foreign Debt Registration and the NDRC Post-issue Filing:** The Issuer shall on or before the Registration Deadline provide the Trustee with (i) a certificate in English substantially in the form set out in the Trust Deed signed by an Authorised Signatory (as defined in the Trust Deed) of the Issuer confirming (A) the completion of the NDRC Post-issue Filing and the Foreign Debt Registration and (B) no Change of Control, Event of Default or Potential Event of Default (as defined in the Trust Deed) has occurred; and (ii) copies of the relevant documents evidencing due filing with the NDRC and the relevant SAFE registration certificates, any other document evidencing the completion of registration issued by SAFE and the

particulars of registration, each certified in English by an Authorised Signatory of the Issuer as being a true and complete copy of the original (the items specified in (i) and (ii) together, the “**Registration Documents**”).

In addition, within 10 PRC Business Days after the Registration Documents are delivered to the Trustee, the Issuer shall give notice to the Bondholders (in accordance with Condition 16) confirming the completion of the NDRC Post-issue Filing and the Foreign Debt Registration.

The Trustee may rely conclusively on the Registration Documents and shall have no obligation or duty to monitor or ensure or assist with the NDRC Post-issue Filing or the Foreign Debt Registration on or before the Registration Deadline or to verify the accuracy, completeness, content, validity and/or genuineness of any documents in relation to or in connection with the NDRC Post-issue Filing and/or the Foreign Debt Registration and/or the Registration Documents or to translate or procure any translation thereof or to give notice to the Bondholders confirming the completion of the NDRC Post-issue Filing or the Foreign Debt Registration, and shall not be liable to the Issuer, the Bondholders or any other person for not doing so.

- (e) **Financial Statements:** So long as any Bond remains outstanding, the Issuer shall furnish the Trustee with (i) a Compliance Certificate of the Issuer (on which the Trustee may rely conclusively as to such compliance and shall not be liable to any Bondholder or any other person for such reliance) and a copy of the relevant Audited Financial Reports within 180 calendar days of the end of each Relevant Period prepared in accordance with PRC GAAP (audited by a nationally or internationally recognised firm of independent accountants) of the Issuer and if such statements shall be in the Chinese language, together with an English translation of the same (at the cost of the Issuer) translated by (A) a nationally or internationally recognised firm of accountants or (B) a professional translation service provider and checked by a nationally or internationally recognised firm of accountants, together in each such case with a certificate in English signed by an Authorised Signatory of the Issuer certifying that such translation is complete and accurate; (ii) a copy of the Unaudited Financial Reports within 120 calendar days of the end of each Relevant Period prepared on a basis consistent with the Audited Financial Reports and if such statements shall be in the Chinese language, together with an English translation of the same (at the cost of the Issuer) and translated by (A) a nationally or internationally recognised firm of accountants or (B) a professional translation service provider and checked and confirmed by a nationally or internationally recognised firm of accountants, together in each such case with a certificate in English signed by an Authorised Signatory of the Issuer certifying that such translation is complete and accurate; and (iii) a Compliance Certificate of the Issuer (on which the Trustee may rely conclusively as to such compliance and shall not be liable to any Bondholder or any other person for such reliance) within 14 days of any written request therefor from the Trustee.

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

entitled to assume that each English translation is a complete and accurate translation of the original, and may rely conclusively on it without liability to the Issuer, the Bondholders or any other person.

- (f) **Ratings:** So long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders, the Issuer will maintain ratings on the Bonds by at least one Rating Agency.
- (g) **Definitions:** In these Conditions:

“**Audited Financial Reports**” means, for a Relevant Period, the annual audited consolidated income statement, balance sheet and cash flow statement of the Issuer and its consolidated subsidiaries together with any statements, reports (including any directors’ and auditors’ reports) and notes attached to or intended to be read with any of them, prepared in accordance with PRC GAAP;

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

- (i) no Relevant Event (as defined in Condition 6(c)), Event of Default (as defined in Condition 9) or Potential Event of Default (as defined in the Trust Deed) has occurred since the Certification Date of the last such certificate or (if none) the date of the Trust Deed or, if such an event had occurred, giving details of it; and
- (ii) the Issuer has complied with all its covenants and obligations under the Trust Deed and the Bonds;

“**NDRC**” means the National Development and Reform Commission of the PRC or its local counterparts;

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

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

“**PRC GAAP**” means the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC from time to time;

“**Rating Agency**” means Fitch Ratings, Inc. and its successors or any other reputable credit rating agency of international standing;

“**Registration Deadline**” means the day falling 180 calendar days after the Issue Date;

“**Relevant Indebtedness**” means any indebtedness incurred outside of the PRC which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter market or other securities market;

“**Relevant Period**” means, (i) in relation to the Audited Financial Reports, each period of twelve months ending on the last day of the Issuer’s financial year (being 31 December of that financial year) and, (ii) in relation to the Unaudited Financial Reports for a semi-annual report, each period of six months ending on the last day of the first half of the Issuer’s financial year (being 30 June of that financial year), and (iii) in relation to other Unaudited Financial Reports which are required to be disclosed pursuant to applicable law or regulations, such period as specified in applicable law or regulations;

“**SAFE**” means the State Administration of Foreign Exchange of the PRC or its local counterparts;

a “**Subsidiary**” of any person means (i) any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50 per cent. of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity, or (ii) any company or other business entity which at any time has its accounts consolidated with those of that person or which, under the laws, regulations or generally accepted accounting principles of the jurisdiction of incorporation of such person from time to time, should have its accounts consolidated with those of that person; and

“**Unaudited Financial Reports**” means, for a Relevant Period, the semi-annual (or any other interim reporting period required by applicable law or regulations) unaudited and reviewed or unreviewed consolidated income, balance sheet and cash flow statements of the Issuer and its consolidated subsidiaries, together with any statements, reports (including any directors’ and auditors’ reports) and notes attached to or intended to be read with any of them (if any), prepared in accordance with PRC GAAP.

5 INTEREST

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 4.4 per cent. per annum, payable semi-annually in arrear in equal instalments of U.S.\$22.0 per Calculation Amount (as defined below) on 28 May and 28 November in each year (each an “**Interest Payment Date**”) commencing on 28 May 2026.

Each Bond will cease to bear interest from the due date for redemption unless, upon surrender of the Certificate representing such Bond, payment of principal or premium (if any) is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the date on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder, and (b) the date falling seven days after the Trustee or the Principal

Paying Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant Bondholder under these Conditions).

If interest is required to be calculated for a period of less than a complete Interest Period (as defined below), the relevant day-count fraction will be determined on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

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

Interest in respect of any Bond shall be calculated per U.S.\$1,000 in principal amount of the Bonds (the “**Calculation Amount**”). The amount of interest payable per Calculation Amount for any period shall (save as provided above in relation to equal instalments) be equal to the product of the rate of interest specified above, the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

6 REDEMPTION AND PURCHASE

- (a) **Final Redemption:** Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 28 November 2027 (the “**Maturity Date**”). The Bonds may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.
- (b) **Redemption for Taxation Reasons:** The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice in accordance with Condition 16 to the Bondholders (which notice shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount together with any interest accrued to but excluding the date fixed for redemption, if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay Additional Tax Amounts (as defined in Condition 8) as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of Hong Kong or the PRC, or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 24 November 2025, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due.

Prior to the publication by the Issuer of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee:

- (i) a certificate of the Issuer in English signed by an Authorised Signatory of the Issuer stating that the obligation referred to in (i) above of this Condition 6(b) cannot be avoided by the Issuer taking reasonable measures available to it; and

- (ii) an opinion, addressed to and in form and substance satisfactory to the Trustee, of independent tax or legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such Additional Tax Amounts as a result of such change or amendment or statement.

The Trustee shall be entitled (but shall not be obliged) to accept and rely conclusively upon such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out in (i) and (ii) above of this Condition 6(b), in which event the same shall be conclusive and binding on the Bondholders.

All Bonds in respect of which any notice of redemption is given under this Condition 6(b) shall be redeemed on the date specified in such notice in accordance with this Condition 6(b).

Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying the calculations of any amount payable under any notice of redemption under this Condition 6(b) or any Put Exercise Notice under Condition 6(c) and shall not be liable to the Bondholders, the Issuer or any other person for not doing so.

- (c) **Redemption for Relevant Events:** At any time following the occurrence of a Relevant Event, the holder of any Bond will have the right, at such holder's option, to require the Issuer to redeem all but not some only of that holder's Bonds on the Put Settlement Date at 101 per cent. (in the case of a redemption for a Change of Control) or 100 per cent. (in the case of a redemption for a No Registration Event) of their principal amount, together with any accrued interest up to but excluding such Put Settlement Date. In order to exercise such right, the holder of the relevant Bond must deposit at the specified office of the Principal Paying Agent or any other Paying Agent a duly completed and signed notice of redemption, substantially in the form scheduled to the Agency Agreement, obtainable from the specified office of the Principal Paying Agent (a "**Put Exercise Notice**"), together with the Certificate evidencing the Bonds to be redeemed by not later than 30 days following a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 16.

The "**Put Settlement Date**" shall be the 14th calendar day (in the case of a redemption for a Change of Control) or the 10th calendar day (in the case of a redemption for a No Registration Event) or, if such day is not a Business Day (as defined in Condition 8(f)), the next following Business Day after the expiry of such period of 30 days as referred to above.

The Issuer shall give notice in writing to Bondholders in accordance with Condition 16 and to the Trustee and the Principal Paying Agent in writing by not later than 14 days (in the case of a redemption for a Change of Control) or five days (in the case of a redemption for a No Registration Event) following the first day on which it becomes aware of the occurrence of a Relevant Event, which notice shall specify (i) the procedure for exercise by holders of their rights to require redemption of the Bonds pursuant to this Condition 6(c) and the requirements that holders must satisfy in order to do so, and (ii) the following:

- (A) a statement that either a Change of Control or a No Registration Event has occurred;

- (B) the date by which the Put Exercise Notice must be given;
- (C) the redemption amount and the method by which such amount will be paid;
- (D) the names and addresses of all Paying Agents;
- (E) a statement that a Put Exercise Notice, once validly given, may not be withdrawn.

Unless it has received notice pursuant to this Condition 6(c), the Trustee shall be entitled to assume that no Relevant Event has occurred. Neither the Agents nor the Trustee shall be required to monitor or to take any steps to ascertain whether a Relevant Event or any event which could lead to a Relevant Event has occurred or may occur and none of them shall have any obligation or duty to verify the accuracy, validity and/or genuineness of any documents in relation to or connection with any Relevant Event and none of them shall be liable to Holders, the Issuer or any other person for not doing so.

In this Condition 6:

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

- (i) Guangzhou Economic and Technological Development District Administrative Committee (廣州經濟技術開發區管理委員會) and any person directly or indirectly Controlled by the central government of the PRC collectively cease to directly or indirectly hold or own at least 75 per cent. of the issued share capital of the Issuer;
- (ii) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer’s assets to any other person(s), unless such person(s) is/are controlled by Guangzhou Economic and Technological Development District Administrative Committee and/or any person directly or indirectly Controlled by the central government of the PRC.

“**Control**” means (i) the ownership, acquisition or control of 100 per cent. of the voting rights of the issued share capital of a person or (ii) the right to appoint and/or remove all or the majority of the members of a person’s board of directors or other governing body, in each case whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise; the term “**Controlled**” has meanings correlative to the foregoing;

a “**No Registration Event**” occurs when the Registration Documents are not delivered to the Trustee in accordance with Condition 4(d) on or before the Registration Deadline;

a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case, whether or not being a separate legal entity); and

a “**Relevant Event**” means a Change of Control or a No Registration Event.

So long as the Bonds are represented by the Global Certificate, the right of Bondholders to redemption of the Bonds following the occurrence of a Relevant Event will be effected in accordance with the rules of the relevant clearing systems.

- (d) **Notices of Redemption:** All Bonds in respect of which any notice of redemption is given under this Condition 6 shall be redeemed on the date specified in such notice in accordance with this Condition 6. If there is more than one notice of redemption given in respect of any Bond (which shall include any notice given by the Issuer pursuant to Condition 6(b) and any Put Exercise Notice given by a Bondholder pursuant to Condition 6(c)), the notice given first in time shall prevail and in the event of two notices being given on the same date, the first to be given shall prevail.
- (e) **Purchase:** The Issuer and its Subsidiaries may at any time purchase Bonds in the open market or otherwise at any price. The Bonds so purchased, while held by or on behalf of the Issuer, or any of its Subsidiary, shall not entitle the holder to vote at any meetings of the Bondholders and shall not be deemed to be outstanding for, among other things, the purposes of calculating quorums at meetings of the Bondholders or, for the purposes of Conditions 9, 12(a) and 13.
- (f) **Cancellation:** All Certificates representing Bonds redeemed or purchased by or on behalf of the Issuer and its Subsidiaries shall be surrendered for cancellation to the Registrar and, upon surrender thereof, all such Bonds shall be cancelled forthwith. Any Certificates so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Bonds shall be discharged.

7 PAYMENTS

- (a) **Method of Payment:**
 - (i) Payments of principal and premium (if any) shall be made (subject to surrender of the relevant Certificates at the specified office of any Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Bonds represented by such Certificates) in the manner provided in Condition 7(a)(ii) below.
 - (ii) Interest on each Bond shall be paid on the due date to the person shown on the Register at the close of business on the fifth Payment Business Day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Bond shall be made in U.S. dollars by wire transfer to the registered account of the Bondholder. For the purposes of this Condition 7(a)(ii), a Bondholder’s “**registered account**” means the U.S. dollar denominated account maintained by or on behalf of it with a bank, details of which appear on the Register at the close of business on the Record Date.
 - (iii) If the amount of principal being paid upon surrender of the relevant Certificate is less than the outstanding principal amount of such Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested in writing by the Issuer or a Bondholder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of premium (if any) or interest being paid is less than the amount then due, the Registrar will annotate the Register with the amount of premium (if any) or interest so paid.

Notwithstanding the foregoing, so long as the Global Certificate is held on behalf of Euroclear, Clearstream or any other clearing system, each payment in respect of the Global Certificate will be made to the person shown as the holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where “Clearing System Business Day” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

- (b) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8; and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Bondholders in respect of such payments.
- (c) **Payment Initiation:** Payment instructions (for value on the due date or, if that is not a Payment Business Day, for value the first following day which is a Payment Business Day) will be initiated on the due date for payment (or, if that date is not a Payment Business Day, on the first following day which is a Payment Business Day), or, in the case of payments of principal or premium (if any) where the relevant Certificate has not been surrendered at the specified office of any Transfer Agent or of the Registrar, on a Payment Business Day on which the Principal Paying Agent is open for business and on which the relevant Certificate is surrendered.
- (d) **Appointment of Agents:** The Principal Paying Agent, the Registrar and the Transfer Agent initially appointed by the Issuer and their respective specified offices are listed below. The Principal Paying Agent, the Registrar and the Transfer Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Bondholder. The Issuer reserves the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of any Agent and to appoint additional or other Agents, provided that the Issuer shall at all times maintain (i) a Principal Paying Agent, (ii) a Registrar, (iii) a Transfer Agent, and (iv) such other agents as may be required by the stock exchange on which the Bonds may be listed, in each case, as approved in writing by the Trustee.

Notice of any such termination or appointment or any change of any specified office of an Agent shall promptly be given by the Issuer to the Bondholders in accordance with Condition 16.

- (e) **Delay in Payment:** Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Bond if the due date is not a Payment Business Day, or if the Bondholder is late in surrendering or cannot surrender its Certificate (if required to do so).
- (f) **Non-Payment Business Days:** If any date for payment in respect of any Bond is not a Payment Business Day, the holder shall not be entitled to payment until the next following Payment Business Day nor to any interest or other sum in respect of such postponed payment or if a cheque mailed in accordance with Condition 7(a)(ii) arrives

after the due date for payment. In this Condition 7, “**Payment Business Day**” means a day (other than a Saturday, a Sunday or a public holiday) on which banks and foreign exchange markets are generally open for business and settlement of U.S. dollar payments in Hong Kong and New York City and (if surrender of the relevant Certificate is required) the relevant place of presentation.

8 TAXATION

All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Bonds shall be made without set-off or counterclaim and free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Hong Kong or the PRC or, in each case, any political subdivision or authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

Where such withholding or deduction is made by the Issuer by or within the PRC at the rate of up to and including the rate applicable on 24 November 2025 (the “**Applicable Rate**”), the Issuer will increase the amounts paid by it to the extent required, so that the net amount received by Bondholders equals the amount which would otherwise have been receivable by them had no such withholding or deduction been required.

If the Issuer is required to make a deduction or withholding by or within the PRC in excess of the Applicable Rate, then the Issuer shall pay such additional amounts (“**Additional Tax Amounts**”) as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Tax Amounts shall be payable in respect of any Bond:

- (i) **Other Connection:** to a holder (or to a third party on behalf of a holder) who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with the PRC other than the mere holding of the Bond; or
- (ii) **Surrender more than 30 days after the Relevant Date:** in respect of which the Certificate representing it is presented or surrendered (where presentation or surrender is required) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such Additional Tax Amounts on presenting or, as the case may be, surrendering the Certificate representing such Bond for payment on the last day of such period of 30 days (as if such last day were a Payment Business Day).

“**Relevant Date**” in respect of any Bond means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Bondholders that, upon further presentation or, as the case may be, surrender of the Certificate representing such Bond being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such presentation or surrender.

Neither the Trustee nor any Agent shall be responsible for paying any present or future tax, duty, charges, withholding or other payment referred to in this Condition 8 or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, any Bondholder or any third party to pay such tax, duty, charges, withholding or other payment in any jurisdiction or to provide any notice or information to the Trustee or any Agent that would permit, enable or facilitate the payment of any principal, premium (if any), interest or other amount under or in respect of the Bonds without deduction or withholding for or on account of any tax, duty, charge, withholding or other payment imposed by or in any jurisdiction.

9 EVENTS OF DEFAULT

If any of the following events (each an “**Event of Default**”) occurs, the Trustee at its discretion may, and if so requested in writing by holders of at least 25 per cent. in aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (provided that in any such case the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction), give written notice to the Issuer (with a copy to the Principal Paying Agent) that the Bonds are, and they shall immediately become, due and payable at their principal amount together (if applicable) with any accrued and unpaid interest:

- (a) **Non-Payment:** there has been a failure to pay (i) the principal of or any premium (if any) on any of the Bonds when due or (ii) interest on any of the Bonds when due and such failure to pay interest continues for a period of 14 days; or
- (b) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations under the Bonds, the Trust Deed (other than where such default gives rise to a right of redemption pursuant to Condition 6(c)), which default is, in the opinion of the Trustee, incapable of remedy or, if such default is, in the opinion of the Trustee, capable of remedy, such default is not remedied within 30 days after notice of such default shall have been given to the Issuer by the Trustee; or
- (c) **Cross-default:** (i) any other present or future indebtedness of the Issuer or any of its Subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 9(c) have occurred equals or exceeds U.S.\$35,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this Condition 9(c) operates); or
- (d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against the whole or any material part of the property, assets or revenues of the Issuer or any Principal Subsidiary and is not discharged or stayed within 60 days; or

- (e) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Principal Subsidiaries on the whole or any material part of its assets becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) and is not discharged or stayed within 60 days; or
- (f) **Insolvency:** the Issuer or any Principal Subsidiary is (or is, or could be, deemed by law or a court of competent jurisdiction to be) insolvent or bankrupt, or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or a material part of (or of a particular type of) the debts of the Issuer or any Principal Subsidiary; or
- (g) **Winding-up:** an order is made by a court of competent jurisdiction or an effective resolution is passed for the winding-up or dissolution of the Issuer or any Principal Subsidiary, or the Issuer or any Principal Subsidiary ceases or threatens to cease to carry on all or substantially all of its business or operations, except for (i) the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (A) on terms approved by an Extraordinary Resolution of the Bondholders, (B) in the case of a Principal Subsidiary, such reconstruction, amalgamation, reorganisation, merger or consolidation was conducted whilst the Principal Subsidiary was solvent; or (C) in the case of a Principal Subsidiary, whereby the undertaking and assets of such Subsidiary are transferred to or otherwise vested in the Issuer or another Subsidiary; or
- (h) **Nationalisation:** (i) any step is taken by any person acting under the authority of any national, regional or local government with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the undertaking, assets or revenues of the Issuer or any Principal Subsidiary or (ii) the Issuer or any Principal Subsidiary is prevented by any such person from exercising normal control over all or a material part of its undertaking, assets or revenues, provided that any actions taken by Guangzhou Economic and Technological Development District Administrative Committee, State-owned Assets Supervision and Administration Commission of Guangdong government, the provincial government of Guangdong or any political subdivision or any authority thereof solely in its capacity as a direct shareholder in the Issuer and/or an indirect shareholder in the Issuer and the Principal Subsidiaries shall not be deemed to be a seizure, compulsory acquisition or expropriation or preventing the Issuer or the Principal Subsidiaries from exercising normal control for the purposes of this Condition 9(h); or
- (i) **Authorisation and Consents:** any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Bonds and the Trust Deed, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Bonds and the Trust Deed admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done; or

- (j) **Illegality:** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds and the Trust Deed; or
- (k) **Analogous Events:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of Conditions 9(d) to 9(h) (both inclusive).

In this Condition 9, “**Principal Subsidiary**” means any Subsidiary of the Issuer:

- (a) whose revenue or (in the case of a Subsidiary which itself has Subsidiaries) consolidated revenue, as shown by its latest audited income statement are at least five per cent. of the consolidated revenue as shown by the latest published audited consolidated income statement of the Issuer and its Subsidiaries including, for the avoidance of doubt, the Issuer and its consolidated Subsidiaries’ share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or
- (b) whose net profit or (in the case of a Subsidiary which itself has Subsidiaries) consolidated net profit, as shown by its latest audited income statement are at least five per cent. of the consolidated net profit as shown by the latest published audited consolidated income statement of the Issuer and its Subsidiaries including, for the avoidance of doubt, the Issuer and its consolidated Subsidiaries’ share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or
- (c) whose total assets or (in the case of a Subsidiary which itself has Subsidiaries) consolidated total assets, as shown by its latest audited balance sheet are at least five per cent. of the consolidated total assets of the Issuer and its Subsidiaries as shown by the latest published audited consolidated balance sheet of the Issuer and its Subsidiaries including, the investment of the Issuer in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Issuer and after adjustment for minority interests; or
- (d) to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, provided that (xx) the Principal Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Principal Subsidiary and the Subsidiary to which the assets are so transferred shall forthwith become a Principal Subsidiary and (yy) on or after the date on which the first published audited accounts (consolidated, if appropriate) of the Issuer prepared as of a date later than such transfer are issued, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Principal Subsidiary shall be determined on the basis of such accounts by virtue of the provisions of paragraphs (a), (b) or (c) above of this definition;

provided that, in relation to paragraphs (a), (b) and (c) above of this definition:

- (i) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Issuer relate, the reference to the then latest consolidated audited accounts of the Issuer for the purposes of the calculation above shall, until consolidated audited accounts of the Issuer for the financial period in which the relevant corporation or

other business entity becomes a Subsidiary are published be deemed to be a reference to the then latest consolidated audited accounts of the Issuer adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;

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

10 PRESCRIPTION

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within 10 years (in the case of principal or premium (if any)) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

11 REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations or other relevant regulatory authority regulations, at the specified office of the Registrar or such Transfer Agent as may from time to time be designated by the Issuer for that purpose and notice of whose designation is given to Bondholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security, indemnity and otherwise as the Issuer, the Registrar or the relevant Transfer Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

12 MEETINGS OF BONDHOLDERS, MODIFICATION AND WAIVER

- (a) **Meetings of Bondholders:** The Trust Deed contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including without limitation the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed and/or the Agency Agreement. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee if requested in writing to do so by Bondholders holding not less than 10 per cent. in aggregate principal amount of the Bonds for the time being outstanding and subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing more than 50 per cent. in aggregate principal amount of the Bonds for the

time being outstanding, or at any adjourned meeting two or more persons being or representing Bondholders whatever the principal amount of the Bonds held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the Maturity Date of the Bonds or the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the principal amount of, any premium payable on redemption of, or interest on, the Bonds, (iii) to change the currency of payment of the Bonds, or (iv) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing at least 75 per cent., or at any adjourned meeting at least 25 per cent., in aggregate principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders (whether or not they were present at the meeting at which such resolution was passed).

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

- (b) **Modification and Waiver:** The Trustee may (but shall not be obliged to) agree, without the consent of the Bondholders, to (i) any modification of any of these Conditions or any of the provisions of the Trust Deed and/or the Agency Agreement that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of law, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of these Conditions or any of the provisions of the Trust Deed and/or the Agency Agreement that is in the opinion of the Trustee not materially prejudicial to the interests of the Bondholders. Any such modification, authorisation or waiver shall be binding on the Bondholders and, unless the Trustee otherwise agrees, such modification, authorisation or waiver shall be notified by the Issuer to the Bondholders as soon as practicable. The Trustee may request and conclusively rely upon any certificate signed by an Authorised Signatory and/or an opinion of counsel concerning compliance with the above conditions in respect of any modification, waiver and/or amendment.
- (c) **Entitlement of the Trustee:** In connection with the exercise of its functions, rights powers and discretions (including but not limited to those referred to in this Condition 12) the Trustee shall have regard to or be responsible for the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require on behalf of any Bondholder, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

13 ENFORCEMENT

At any time after the Bonds become due and payable, the Trustee may, at its discretion and without further notice, take such steps and/or actions and/or institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Agency Agreement and/or the Bonds, but it need not take any such steps and/or actions and/or proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Bondholders holding at least 25 per cent. in aggregate principal amount of the Bonds then outstanding, and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing. The Trustee may refrain from taking any steps or actions or instituting any proceedings in any jurisdiction if the taking of such steps or actions or the institution of such proceedings in that jurisdiction would, in its opinion, be contrary to any law of that jurisdiction. Furthermore, the Trustee may also refrain from taking such steps or actions or instituting any such proceedings if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

14 INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including provisions relieving it from taking proceedings to enforce its rights under the Trust Deed, the Agency Agreement and/or these Conditions and in respect of the Bonds and to enforce payment or taking other actions, steps and/or proceedings unless first indemnified and/or secured and/or pre-funded to its satisfaction and to be paid or reimbursed for its fees, costs, expenses and indemnity payments and any liabilities incurred by it in priority to the claims of Bondholders. The Trustee is entitled to (i) enter into business transactions with the Issuer and/or any entity related (directly or indirectly) to the Issuer without accounting for any profit made or any other amount or benefit received thereby or in connection therewith and to act as trustee for the holders of any other bonds issued by, or relating to, the Issuer and/or any entity related to the Issuer, and (ii) exercise and enforce its rights, powers and discretions, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship as aforesaid without regard to the interests of, or consequences for, the Bondholders.

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

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

The Trustee shall be entitled to rely conclusively on any direction, request or resolution of Bondholders given by holders of the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed. Neither the Trustee nor any of the Agents shall be under any obligation to ascertain whether any Event of Default or Potential Event of Default (as defined in the Trust Deed) has occurred or to monitor compliance by the Issuer with the provisions of the Trust Deed, the Agency Agreement or these Conditions and shall not be liable to the Bondholders or any other person for not doing so.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer and any other person appointed by the Issuer relation to the Bonds of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Bondholder, the Issuer or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Bondholders.

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

15 FURTHER ISSUES

The Issuer may from time to time without the consent of the Bondholders create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date and the first payment of interest on them and the timing for compliance with the requirements set out in these Conditions in relation to the NDRC Post-issue Filing and the Foreign Debt Registration) and so that such further issue shall be consolidated and form a single series with the outstanding Bonds. References in these Conditions to the Bonds include (unless the context requires otherwise) any further bonds issued pursuant to this Condition 15 and consolidated and forming a single series with the Bonds. Any further bonds consolidated and forming a single series with the outstanding Bonds shall be constituted by a deed supplemental to the Trust Deed.

16 NOTICES

Notices to the holders of Bonds shall be mailed to them by uninsured mail at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday, a Sunday or a public holiday) after the date of mailing. The Issuer shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made.

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held by or on behalf of Euroclear and Clearstream, any notice to the holders of the Bonds shall be validly given by the delivery of the relevant notice to Euroclear and Clearstream, for communication by the relevant clearing system to entitled accountholders in substitution for notification as required by the Conditions and shall be deemed to have been given on the date of delivery to such clearing system.

17 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

Save as contemplated in Condition 13, no person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

18 GOVERNING LAW AND JURISDICTION

- (a) **Governing Law:** The Trust Deed, the Agency Agreement and the Bonds and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.
- (b) **Jurisdiction:** The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds, the Trust Deed or the Agency Agreement and accordingly any legal action or proceedings arising out of or in connection with any Bonds, the Trust Deed or the Agency Agreement (“**Proceedings**”) may be brought in such courts. The Issuer has in the Trust Deed and the Agency Agreement, irrevocably submitted to the exclusive jurisdiction of such courts and waived any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.
- (c) **Agent for Service of Process:** The Issuer irrevocably appoints Guangzhou Development District (HK) Investment Co., Limited at Unit 04–05, 16/F, The Broadway, 54–62 Lockhart Road, Wanchai, Hong Kong as its authorised agent in Hong Kong to receive service of process in any Proceedings in Hong Kong based on any of the Bonds, the Trust Deed or the Agency Agreement. If for any reason the Issuer ceases to have such an agent in Hong Kong, the Issuer shall promptly appoint a new agent in Hong Kong to accept service of process and shall deliver to the Trustee a copy of the agent’s acceptance of that appointment within 30 days of such cessation. Nothing herein shall affect the right to serve process in any other manner permitted by law.

- (d) **Waiver of Immunity:** The Issuer has waived any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and has irrevocably consented to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM

The Global Certificate contains provisions which apply to the Bonds while they are in global form, some of which modify the effect of the Terms and Conditions set out in this Offering Circular. The following is a summary of certain of those provisions.

Terms defined in the Terms and Conditions set out in this Offering Circular have the meaning in the paragraphs below.

The Bonds will be represented by a Global Certificate which will be registered in the name of a nominee of, and deposited with, a common depositary on behalf of Euroclear and Clearstream.

Under the Global Certificate, the Issuer, for value received, will promise to pay such principal, interest and premium (if any) on the Bonds to the Bondholders on such date or dates as the same may become payable in accordance with the Terms and Conditions.

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

Individual definitive Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Certificate. Such exchange will be effected in accordance with the provisions of the Trust Deed, the Agency Agreement and the regulations concerning the transfer and registration of the Bonds scheduled thereto and, in particular, shall be effected without charge to any holder of the Bonds or the Trustee, but against such indemnity and/or security as the Registrar or the relevant Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

The Issuer will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Bondholders. A person with an interest in the Bonds in respect of which the Global Certificate is issued must provide the Registrar not less than 30 days’ notice at its specified office of such holder’s intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

In addition, the Global Certificate will contain provisions which modify the Terms and Conditions as they apply to the Bonds evidenced by the Global Certificate. The following is a summary of certain of those provisions:

PAYMENT

So long as the Bonds are represented by the Global Certificate, each payment in respect of the Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

NOTICES

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or any Alternative Clearing System, notices to Bondholders shall be validly given by delivery of the relevant notice to Euroclear or Clearstream or such Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Bonds in substitution for notification as required by the Terms and Conditions.

MEETINGS

For the purposes of any meeting of Bondholders, the holder of the Bonds represented by this Global Certificate shall (unless the Global Certificate represents only one Bond) be treated as two persons for the purposes of any quorum requirements of a meeting of Bondholders and as being entitled to one vote in respect of each U.S.\$1,000 in principal amount of Bonds for which the Global Certificate is issued.

BONDHOLDER'S REDEMPTION

The Bondholder's redemption option in Condition 6(c) of the Terms and Conditions may be exercised by the holder of the Global Certificate giving notice to the Principal Paying Agent of the principal amount of Bonds in respect of which the option is exercised within the time limits specified in the Terms and Conditions.

ISSUER'S REDEMPTION

The option of the Issuer provided for in Condition 6(b) of the Terms and Conditions shall be exercised by the Issuer giving notice to the Bondholders within the time limits set out in and containing the information required by the Terms and Conditions.

TRANSFERS

Transfers of interests in the Bonds will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective direct and indirect participants.

CANCELLATION

Cancellation of any Bond by the Issuer following its redemption or purchase by the Issuer or its respective Subsidiaries will be effected by a reduction in the principal amount of the Bonds in the register of Bondholders.

TRUSTEE'S POWERS

In considering the interests of Bondholders while the Global Certificate is registered in the name of a nominee for a clearing system, the Trustee may, to the extent it considers appropriate to do so in the circumstances, but without being obligated to, (a) have regard to any information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or

by way of category) with entitlements in respect of the Bonds and (b) consider such interests on the basis that such accountholders were the Bondholders in respect of which the Global Certificate is issued.

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

USE OF PROCEEDS

The gross proceeds of the issue of the Bonds will be U.S.\$500 million. After deduction of the combined management and underwriting commission and the other expenses incurred in connection with the issue of the Bonds, the net proceeds of the issue of the Bonds will be allocated to finance and/or refinance Eligible Green Projects as defined in the Company's Green Finance Framework and in accordance with the NDRC certificate.

GREEN FINANCE FRAMEWORK

The description of the Green Finance Framework set out below is in summarised form only and has been prepared in respect of the Bonds. The full version of the Green Finance Framework does not form part of this Offering Circular. The Green Finance Framework is intended to provide non-exhaustive, general information. The information contained in the Green Finance Framework does not purport to be comprehensive. The Green Finance Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by the Issuer, the Group or the Joint Lead Managers, and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Issuer, the Group or the Joint Lead Managers, as to the fairness, accuracy, reasonableness or completeness of such information. The Green Finance Framework may contain statements about future events and expectations that are forward-looking statements. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such statements. See “Forward-Looking Statements” and “Risk Factors” of this Offering Circular. No representation is made as to the suitability of any green securities to fulfil environmental and sustainability criteria required by prospective investors.

The Green Finance Framework is not intended to be and should not be construed as providing legal or financial advice or as a recommendation regarding any securities of the Issuer. Prospective investors are required to make their own independent investigation and appraisals prior to any investment decisions and are solely liable for any use of the information contained in this Offering Circular. None of the Issuer, the Group, any of their subsidiaries or the Joint Lead Managers shall be liable for any damages, direct, indirect or otherwise and whether arising in tort, contract or otherwise, resulting from the use of, failure to implement or comply with or achieve the goals and intentions set out in and/or otherwise in connection with the Green Finance Framework.

The information contained herein is provided as at the date of the Green Finance Framework and is subject to change without notice and none of the Issuer, the Group and the Joint Lead Managers assumes any responsibility or obligation to update or revise such information, regardless of whether such information is affected by the results of new information, future events or otherwise.

RATIONALE OF THE GROUP’S GREEN FINANCE FRAMEWORK

The Group adheres to high environmental standards with sustainable development at low carbon emissions and regards environment protection and sustainable development as its core values. The Group is aware of control and mitigation of the impact from its performance on the environment and the communities to fulfil its green commitment towards creating long-lasting value. The Group’s board of directors is responsible for leading and guiding the Group’s policies on sustainable development at low carbon emissions and working together with management to identify, evaluate and address environmental issues on an ongoing basis, and oversees environmental affairs and plans the long- term environment-friendly development goals.

In order to have a reinforced dialogue with Socially Responsible Investors, the Group’s Green Finance Framework (“**GFF**”) will be an opportunity to emphasize the Group’s core strategy in terms of sustainable development and combating climate change, and to diversify the Group’s investor base. The Group’s Green Financing Transactions (“**GFT**”)

will also help ensure the progress of the State Council and the Country's vision of sustainable development as well as carbon peak and neutrality goals under the 14th Five-Year Plan, and beyond, is fulfilled.

FRAMEWORK OVERVIEW

The Group's GFF has been developed to demonstrate how the Group and its affiliates intend to enter into GFT to fund projects that are strongly environmental-friendly to support the Group's business strategy and vision. Fundraising will include bonds, loans and other debt instruments GFT with structures tailored to contribute to sustainable development by application of the proceeds to Eligible Projects as defined in this Framework.

- With respect to bonds, bonds issued under GFF will be in alignment with the Green Bond Principles (GBP) 2025 released by International Capital Market Association (ICMA) or the Climate Bonds Standard V4.0 issued by Climate Bonds Initiative (CBI), or the Green Bond Endorsed Projects Catalogue (2021 Edition) jointly announced by the People's Bank of China (PBOC), the National Development and Reform Commission (NDRC) and the China Securities Regulatory Commission (CSRC) or as they may be subsequently amended.
- With respect to loans, loans issued under GFF will be in alignment with the Loan Market Association ("LMA") Green Loan Principles ("GLP") 2025 or as they may be subsequently amended.
- Other forms of financing may conform to other sustainable or green finance principles as may have been established at the time of such financing transaction being undertaken.

In aligning with the above principles and guidelines, the Group's GFF is presented through four core components as well as its recommendation for external review:

- (a) Use of Proceeds
- (b) Process for Project Evaluation and Selection
- (c) Management of Proceeds
- (d) Reporting
- (e) External Review

Bond(s) issued under this Framework may take the form of public transactions or private placements, in bearer or registered format, and may take the form of senior unsecured or subordinated issuances. Such bonds and loans entered into under this Framework will be standard recourse-to-the-issuer obligations and investors will not bear the credit risk of the underlying allocated eligible asset exposures.

GFTs may be done in any jurisdiction and market reflecting the Group's current and future business needs.

1. Use of Proceeds

The Group will allocate an amount at least equivalent to the net proceeds of the Green Financing Instruments issued under this Framework to finance and/or re-finance, in whole or in part, projects which meet the eligibility criteria of the following Eligible Green Project categories (“**Eligible Green Projects**”), as defined as below.

A maximum 3-year look-back period would apply for refinanced projects and the Group expects each issuance under this framework to be fully allocated within 2 years from the date of issuance.

Eligible Green Projects Categories and Description/Condition of Eligible Green Projects.

<u>Eligible Green Projects Categories</u>	<u>Description/Condition of Eligible Green Projects</u>
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<p>Green Building</p>	<p><u>Acquisition, construction, maintenance and renovation of building that have received, or expect to receive certified the below recognized green building certifications:</u></p>
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- Chinese Green Building Evaluation Label — 2 Star or above (Design/Operations Label); or
- Building Research Establishment Environmental Assessment Method (BREEAM) — Excellent or above; or
- U.S. Leadership in Energy and Environmental Design (LEED) — Gold or above; or
- Hong Kong BEAM Plus — Gold or above; or
- Construction of Ultra-Low Energy Consumption Buildings: Construction of public and residential buildings adapted to climate characteristics and site-specific conditions that reduce the demand for heating, air conditioning and lighting through passive building designs, and adopt active technical measures to improve the efficiency of building energy equipment and systems in the public and residential building as well as the acquisition of consumption. The technical indicators of the building shall meet the requirements of the “*Technical Standard for Near-Zero Energy Building*” (GB/T 51350); or

**Eligible Green
Projects Categories**

Description/Condition of Eligible Green Projects

- Green Buildings: All civil and industrial buildings are designed and constructed in accordance with the national green building codes and standards to obtain national green building evaluation labels within the validity period. For example, the building should comply with indicators as listed in technical standards, such as the “*Green Building Evaluation Standard*” (GB/T 50378), the “*Green Industrial Building Evaluation Standard*” (GB/T 50878), the “*Green Ecological Area Evaluation Standard*” (GB/T 51255), the “*Green Office Building Evaluation Standard*” (GB/T 50903), the “*Green Store Building Evaluation Standard*” (GB/T 51100), the “*Green Hospital Building Evaluation Standard*” (GB/T 51153); or
- Application of Renewable Energy in Buildings: Design, construction and application of renewable energy application systems for buildings that use solar photovoltaic devices installed on roofs and walls of building to supply electricity to buildings, those use heat pumps and other facilitates to provide cooling and heating to buildings; or
- Prefabricated Buildings: Construction of buildings using prefabricated components at construction site through the method of assembly construction. The building-related technical indicators should meet or exceed the requirements of Grade A and under the “*Evaluation Standard for Assembled Buildings*” (GB/T 51129) within the validity period; or
- Energy Conservation and Environmental-friendly Renovation of Existing Buildings: Technical indicators of the building meet relevant national or local energy conservation standards for existing buildings and relevant requirements for energy-saving renovation activities of building energy systems after renovation. Renovation, operation and purchase of the existing buildings which have obtained relevant national green building star-level with the validity period; and the renovation, operation and purchase of existing building that have reached the national-relevant green building star-level within the validity period after renovation. For example, the building technology complies with technological standards such as the “*Statistical Standard for Civil Buildings*” (GB 50352), the “*Standard for Energy- Saving in Public Buildings*” (GB 50189) and the “*Standard for the Evaluation of Green Retrofit of Existing Buildings*” (GBT 51141); or

**Eligible Green
Projects Categories**

Description/Condition of Eligible Green Projects

- Green Warehousing Logistics: Construction, operation and renovation of logistics warehouses in accordance with the national green building codes and standards, for which they have obtained national green building evaluation marks. For example, the technical indicators of green logistics warehouse building shall meet the requirements of the “*Green Warehouse Requirements and Evaluation*” (SB/T 11164); or
- Energy efficiency (such as in new and refurbished buildings, energy storage, district heating, smart grids, appliances and products); or
- Green buildings that meet regional, national or internationally recognised standards or certifications for environmental performance; or
- Any other green building label, that is an equivalent standard of the above

Energy Efficiency



Investments and expenditures in projects that improve energy efficiency and reduce energy consumption in buildings and facilities by a minimum of 15%, such as but not limited to:

- Renovations or refurbishment of existing buildings; or
- Installation/replacement of equipment in buildings such as LED lighting, smart metering, heating ventilation and air conditioning systems.

**Pollution Prevention and
Control**



Investments and expenditures in projects that prevent and reduce waste and pollution, such as but not limited to:

- Equipment and technologies for reducing resource consumption and pollution emissions;
- Implementing waste sorting and recycling facilities; or
- Enforcement of dust control and noise reduction, during construction and/or operation of buildings.

**Eligible Green
Projects Categories**

Description/Condition of Eligible Green Projects

**Sustainable Water and
Wastewater
Management**

Sustainable water and wastewater management by installation of rainwater collection systems, water conservation systems, water recycling and treatment systems.



Renewable Energy

Investment and installation of renewable energy systems and associated infrastructure, including but not limited to:



- Solar photovoltaic;
- Solar hot water; or
- Wind.

Clean Transportation

Investments and expenditure in low energy or emission transportation assets, systems, infrastructure, components, and services, excluding any infrastructure or rolling stock assets used for the transportation of fossil fuel or mining products.



2. Process for Project Evaluation and Selection

Overall principle:

1. Select national and regional key green projects with a certain scale effect or demonstration effect
2. Adhere to the principle of diversification in the selection of project types and regions.

Specific screening criteria: two-tier green project screening mechanism

Stage 1 Evaluation Procedure: Review and select green projects preliminarily in accordance with the Green Bond Principles (GBP) 2025 released by International Capital Market Association (ICMA), or the Climate Bonds Standard V4.0 issued by Climate Bonds Initiative (CBI), or the Green Bond Endorsed Projects Catalogue (2021 Edition) jointly announced by the People’s Bank of China (PBOC), the National Development and Reform Commission (NDRC) and the China Securities Regulatory Commission (CSRC).

Stage 2 Evaluation Procedure: Further review and confirm on the green projects based on the direct and indirect environmental KPIs.

- 1) Direct environmental KPIs: environmental KPIs disclosed in the supporting documents for the projects, which are expected to be quantitative

2) Indirect environmental KPIs:

- According to the supporting documents for the projects, energy-saving technologies or producing methods have been adopted in the projects.
- The projects are in line with the policies and initiatives on the sustainable development at low carbon emissions, energy-savings and emissions reduction in the national or international markets.

Accountability Mechanisms for the Group's Green Finance

The Group's Green Finance Working Group ("GFWG") is responsible for the management of this GFF and the compliance of all financing instruments issued under the Framework. The GFWG consists of senior representatives from the following departments, including:

- Financial Management Department
- Strategic Development Department
- Construction Business Headquarters
- Chief Engineer Office
- Risk Control Department

The GFWG may be supplemented from time to time, or expanded, by the inclusion of representatives from other relevant teams.

The GFWG will:

- Meet at least two times each year to select and evaluate green projects to invest in for the current year and the next year
- Ratify Eligible Green Projects, which are initially proposed by the constituent team members
- Undertake regular monitoring of the asset pool to ensure the eligibility of Green and/or Social Projects with the criteria set out in the Group's GFF Section 1, Use of Proceeds, whilst replacing any ineligible Green and/or Social Projects with eligible new Green and/or Social Projects
- Ensure that projects comply with the Group's Environmental and Social Risk Management framework as well as applicable local governmental regulations and projects no longer meeting the selection criteria detailed in this Framework will be removed and/or substituted on a best efforts basis
- Facilitate regular reporting on any Green, Social or Sustainability issuance in alignment with our Reporting commitments
- Manage any future updates to this Framework
- Ensure that the approval of Eligible Green Projects will follow the Group's existing credit/loan/investment approval processes

3. Management of Proceeds

The proceeds of each of the Group's GFT can be managed through using a designated account or keeping a GFT Register. Under the GFT Register method, the proceeds will be deposited in the general funding accounts, and earmarked for allocation towards the Eligible Green Projects. The Group will maintain a GFT Register to track the use of proceeds for the GFT. Green Finance Allocation Register will be established to ensure and monitor the allocation of green finance proceeds.

The Register will contain, for each GFT launched, information including:

1. GFT Details: ISIN (if applicable), Pricing Date, Maturity Date and etc.
2. Eligible Green Project Allocation List: Information including:
 - The Eligible Projects List, including for each Eligible Project, the Eligible Green Project category, project description, project location, Group's ownership percentage, total project cost, amount allocated, settled currency, etc.
 - Amount of unallocated Proceeds Management of the unallocated proceeds

It is the Group's intention to deploy proceeds of each of the Group's GFT to Eligible Green Projects within a 2-year period. If part of the proceeds cannot be allocated to Eligible Green Projects at the moment, the Group can deposit the unallocated proceeds into the designated account for the green bond, or invest the unallocated proceeds into qualified money market products or debt instruments according to the relevant rules and regulations set out by the competent authorities.

4. Reporting

Allocation Reporting

The Group will provide information on the allocation of the net proceeds of its Green Financing Instruments in a Green Finance Report. Such information will be provided on an annual basis until all the net proceeds have been allocated. The information will contain at least the following details:

- 1) List of Eligible Green projects of the current year
- 2) The amount of Proceeds allocated to each Eligible Green Project category
- 3) When possible, descriptions of the Eligible Green Projects financed, such as project locations, amount allocated, etc.
- 4) Selected examples of projects financed
- 5) Percentage of financing vs. refinancing
- 6) Amount of unallocated Proceeds

Furthermore, the Group will confirm that the use of proceeds of the GFT conforms to this GFF.

Impact Reporting

The Group will provide reporting on the environmental benefits of the Eligible Green Projects potentially with the following environmental impact indicators. In addition, calculation methodologies and key assumptions will be disclosed.

<u>Eligible Green Projects Categories</u>	<u>Impact Indicators</u>
Green Building	<ul style="list-style-type: none"> ● Type and level of green building certifications obtained ● Annual energy savings (MW/year) ● Annual Greenhouse Gas (GHG) emissions reduced/avoided (t CO2 eq p.a.) ● Annual reduction in water consumption (in m3)
Energy Efficiency	<ul style="list-style-type: none"> ● Amount of energy saved (in MWh) ● Percentage annual energy efficiency gain relative to an established baseline
Pollution Prevention and Control	<ul style="list-style-type: none"> ● Reduction in CO2, NOx, PM10, PM2.5, and SOx emissions (in tonnes) ● Waste that is prevented, minimized, reused or recycled before and after the project in % of total waste and/or in absolute amount in tones p.a.; and ● Waste that is separated and/or collected, and treated (including composted) or disposed of in an environmentally sound manner before and after the project.
Sustainable Water and Wastewater Management	<ul style="list-style-type: none"> ● Annual amount of water/rainwater/wastewater collected/treated/recycled/reused (m3/year)
Renewable Energy	<ul style="list-style-type: none"> ● Installed renewable energy production capacity
Clean Transportation	<ul style="list-style-type: none"> ● Annual GHG emissions reduced or avoided in (in tonnes of CO2 equivalent p.a.)

The allocation and impact reporting mentioned above will be disclosed to the Group’s stakeholders, and the abstract of which will be published on the Group’s website.

Stakeholder Management

The Group has established a process for conducting stakeholder engagement at corporate level. In addition, the GFWG would be responsible for conducting stakeholder engagement at project level. Project level stakeholder engagement activities would be performed subject to local regulatory requirements. Where applicable, stakeholder engagement exercises

would be conducted by the Group along with the environmental impact assessment. The Group would obtain a copy of the environmental impact assessment report prepared either by itself or by professional agencies/consultants, and the applicable local regulator's approval document for the eligible projects.

Stakeholder engagement activities would be performed in the project design, operation and construction stages throughout the project lifecycle. According to the analysis (e.g. materiality analysis) performed at corporate level, stakeholders include but not limited to government, corporate clients, industry peers and industrial organizations, employees, partners and communities. The GFWG would communicate with the stakeholders of the corresponding project through two-way communication channels, such as surveys, interviews, public disclosure and company hotline and mailbox, to collect opinions and comments on environmental (e.g. environmental impact) and social (e.g. potential impact on people's lives) issues. The Group would categorize the stakeholders' comments and opinions collected and then assign relevant department(s) to address the issues (e.g. Human Resource Department will handle employee-related issues) and respond to stakeholder feedback. Opinions would be responded through company website, telephone feedback, etc.

The Group confirms that records on the result of stakeholder engagement, including summary of the engagement, identified stakeholders, engagement method, feedback collected and relevant responds would be retained.

External Reviews

The Group has engaged HKQAA to assess this GFF and its alignment with the relevant principle, standard and catalogue released by the relevant organizations or authorities mentioned earlier in the Group's GFF and issue a pre-issuance stage certificate.

The Group's GFF, together with HKQAA's pre-issuance stage certificate will be disclosed according to the relevant requirements.

Amendments to this Framework

The GFWG will review this Framework on a regular basis, including its alignment to updated versions of the Principles as and when they are released, with the aim of adhering to best practices in the market. Such review may result in this Framework being updated and amended. The updates, if not minor in nature, will be subject to the prior approval of the Group and HKQAA. Any future updated version of this Framework that may exist will either keep or improve the current levels of transparency and reporting disclosures, including the corresponding review by an external reviewer. The updated Framework, if any, will be published on the Group's website and will replace this Framework.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth the Issuer's consolidated capitalisation and indebtedness as at 30 June 2025 and as adjusted to give effect to the issue of the Bonds before deduction of management and underwriting commission and expenses. The table should be read in conjunction with the Issuer's Financial Statements.

	As at 30 June 2025			
	Actual		As adjusted	
	<i>(RMB)</i>	<i>(U.S.\$)⁽¹⁾</i>	<i>(RMB)</i>	<i>(U.S.\$)⁽¹⁾</i>
	<i>(in millions)</i>	<i>(in millions)</i>	<i>(in millions)</i>	<i>(in millions)</i>
Current indebtedness:				
Short-term loans	10,437.3	1,457.0	10,437.3	1,457.0
Interest-bearing indebtedness among non-current borrowings due within one year	13,086.4	1,826.8	13,086.4	1,826.8
Interest-bearing indebtedness among other payables	902.1	125.9	902.1	125.9
Interest-bearing indebtedness among other current borrowings	7,370.4	1,028.9	7,370.4	1,028.9
Non-current indebtedness:				
Long-term loans	27,612.1	3,854.5	27,612.1	3,854.5
Bonds payable	37,428.1	5,224.8	37,428.1	5,224.8
Interest-bearing indebtedness among long-term payables	1,306.1	182.3	1,306.1	182.3
Interest-bearing indebtedness among other non-current liabilities	334.4	46.7	334.4	46.7
lease liabilities	1,196.0	167.0	1,196.0	167.0
Bonds to be issued	—	—	3,581.8	500
Total indebtedness⁽¹⁾	99,672.9	13,913.8	103,254.7	14,413.8
Total shareholder's equity	41,178.3	5,748.3	41,178.3	5,748.3
Total capitalisation and indebtedness⁽²⁾ . . .	140,851.2	19,662.1	144,433.0	20,162.1

Notes:

- (1) Total indebtedness equals current indebtedness plus non-current indebtedness.
- (2) Total capitalisation and indebtedness equals total indebtedness plus total shareholder's equity.
- (3) The translation of Renminbi amounts into U.S. dollar amounts has been made at the rate of RMB7.1636 to U.S.\$1.00, the noon buying rate as set forth in the H.10 Statistical release of the Federal Reserve Bank of New York on 30 June 2025.

In the ordinary course of the Issuer's business, the Issuer may consider various financing opportunities and incur additional debt, including bank borrowings and domestic bonds issuances. Unless otherwise disclosed in this Offering Circular, there has been no material change in the Issuer's capitalisation and indebtedness since 30 June 2025.

DESCRIPTION OF THE GROUP

OVERVIEW

The Group is a leading state-owned financial service and investment platform in Guangzhou, Guangdong Province. The Group manages state capital and upgrades industry in Guangzhou Development District on behalf of the GDDAC. Established on 6 November 1998, 91.06% of the Company's equity interest is directly owned by the GDDAC, which is the Company's controlling shareholder, with the remaining 8.94% of the Company's equity interest directly owned by the Department of Finance of Guangdong Province. Leveraging the strong government support and its revenue generating capability, the Group has achieved growth momentum, recorded strong operating performance over the past few years and played an important role in the planning and construction of Guangzhou Development District. As at 31 December 2022, 2023 and 2024 and 30 June 2025, the Group's total assets were RMB130,847.8 million, RMB151,379.1 million, RMB159,793.8 million and RMB165,268.4 million, respectively, and its net assets were RMB46,694.1 million, RMB52,702.6 million, RMB44,564.5 million and RMB41,178.3 million, respectively. The Group has been ranked among China's Top 500 Service Enterprises for four consecutive years.

The Group has developed a diversified business portfolio. The Group manages its operations and investment in seven business segments and the following is an overview:

- **Heat and Power Supplies.** The Group conducts its heat and power supplies business, which is a state-owned listed company focuses on power generation and central heating business, mainly through its subsidiary, Guangzhou Hengyun Enterprises Holding Ltd. (“**Guangzhou Hengyun**”) and Guangzhou Suikai Electric Co., Ltd. (廣州穗開電業有限公司) (“**Suikai Electric**”). As at 30 June 2025, the total installed capacity of the Group's power plants was 3.09 GW, comprising installed capacity of coal- and gas-fired power plants of 2.04 GW and installed capacity of centralised solar PV of 1.05 GW. As at 30 June 2025, the energy storage capacity of the Group was 0.36 GWh and clean-energy amounted for more than two-thirds of the Group's energy portfolio. For the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025, the Group generated from its heat and power supplies business operating revenues of RMB3,673.9 million, RMB4,704.1 million, RMB4,333.0 million, RMB2,181.0 million, and RMB2,151.1 million, respectively, representing 39.3%, 33.1%, 34.7%, 42.0% and 36.0%, respectively, of the Group's total operating income.
- **Project Construction and Management.** The Group's project construction and management business includes the leasing of commercial properties and comprehensive management services for the properties developed by the Group. For the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, the Group generated from its project construction and management business operating revenues of RMB855.0 million, RMB1,070.8 million, RMB924.0 million, RMB492.4 million and RMB562.8 million, respectively, representing 9.2%, 7.5%, 7.4%, 9.5% and 9.4%, respectively, of the Group's total operating income.
- **Science Park Construction and Management.** The Group's science park construction and management business includes the development and construction of science parks, commercial office buildings that are complementary to the operation of science parks and residential complexes. For the years ended 31 December 2022, 2023, 2024 and the

six months ended 30 June 2024 and 2025, the Group generated from its science park construction and management business operating revenues of RMB144.0 million, RMB1,462.9 million, RMB513.0 million, RMB22.6 million and RMB82.6 million, respectively, representing 1.5%, 10.3%, 4.1%, 0.4% and 1.4%, respectively, of the Group's total operating income.

- **Financial Services.** The Group's financial services business includes securities business, financial leasing and financing guarantee. For the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025, the Group generated from its financial services business operating revenues of RMB1,385.5 million, RMB1,166.1 million, RMB1,164.7 million, RMB529.4 million and RMB593.8 million, respectively, representing 14.8%, 8.2%, 9.3%, 10.2% and 9.9%, respectively, of the Group's total operating income.
- **Bio-medicine.** The Group's bio-medicine business involves the sale of in vitro diagnostic products, diagnostic equipment and biochemicals. For the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025, the Group generated from its bio-medicine business operating revenues of RMB675.9 million, RMB422.7 million, RMB336.4 million, RMB172.1 million and RMB139.3 million, respectively, representing 7.2%, 3.0%, 2.7%, 3.3% and 2.3%, respectively, of the Group's total operating income.
- **High-end Equipment Manufacturing.** The Group conducts its high-end equipment manufacturing business mainly through Taisheng Wind, a listed company recently acquired by the Group in 2022. Taisheng Wind primarily engages in the manufacture, sale and installation of equipment, accessories and parts for generating wind power, such as wind towers, for both onshore and offshore wind power generation projects. For the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025, the Group generated from its high-end equipment manufacturing business operating revenues of RMB1,972.2 million, RMB4,781.5 million, RMB4,837.8 million, RMB1,626.3 million and RMB2,298.5 million, respectively, representing 21.1%, 33.6%, 38.7%, 31.3% and 38.5%, respectively, of the Group's total operating income.
- **Other Businesses.** The Group's other businesses mainly include fund investment, information technology services and other ancillary business. For the year ended 31 December 2022, 2023 and 2024 and for the six months ended 30 June 2024 and 2025, the Group generated from its other businesses operating revenues of RMB637.9 million, RMB604.1 million, RMB384.7 million, RMB172.5 million, and RMB146.3 million, respectively, representing 6.8%, 4.3%, 3.1%, 3.3% and 2.5%, respectively, of the Group's total operating income.

For the years ended 31 December 2022, 2023, 2024 and for the six months ended 30 June 2024 and 2025, the Group's total operating income was RMB9,344.6 million, RMB14,212.1 million, RMB12,493.7 million, RMB5,196.3 million and RMB5,974.4 million, respectively. As at 31 December 2022, 2023, 2024 and 30 June 2025, its total assets were RMB130,847.8 million, RMB151,379.1 million, RMB159,793.8 million and RMB165,268.4 million, respectively, and its net assets were RMB46,694.1 million, RMB52,702.6 million, RMB44,564.5 million and RMB41,178.3 million, respectively.

COMPETITIVE STRENGTHS

The Group believes that the competitive strengths outlined below are important to its success and future development:

Full-scale and strong support from the GDDAC

The Group is the largest state-owned group in Guangzhou Development District in terms of total assets. It is directly and majority-owned by the GDDAC and is an important investment and financing entity in the Guangzhou Development District, established to broaden capital operations and asset management, optimise industry structure and accelerate the economic development of the Guangzhou Development District. The Group plays an irreplaceable role in Guangzhou Development District. The Group has received strong support from the local government since its inception, which is critical for the Group to carry out large-scale and capital-intensive projects. Since its establishment in 1998, the Group has received financial support in different forms from the Guangzhou Development District Government, the Guangzhou Development District Government Finance Bureau and the SASAC of the Guangzhou Development District, including capital injections, government subsidies, loan subsidies and other forms of fiscal support.

The GDDAC increased the registered capital of the Group by capital injections at different milestones of the Group's development. As at 30 June 2025, the registered capital of the Group amounted to RMB11,591.3 million. For the years ended 31 December 2022, 2023, 2024 and for the six months ended 30 June 2025, the Group received capital injections from the GDDAC and other governmental institutions in the amount of approximately RMB150.0 million, RMB216.0 million, RMB566.0 million and nil, respectively.

For the years ended 31 December 2022, 2023, 2024 and for the six months ended 30 June 2025, the Group received government subsidies from the GDDAC and other governmental institutions in the amount of RMB258.9 million, RMB207.3 million, RMB110.3 million and nil, respectively.

Leveraging the strong financial support and favourable policy from the GDDAC, the Group has continued to enhance its position as a leading state-owned financial service and investment platform in Guangzhou, to make strategic investments in key industries and to further support the industry upgrade in Guangzhou Development District.

Diversified sources of funding and strong credit position

The Group has access to diversified financing channels to fund its project development, including bank loans, trust loans, debt financing, equity financing and financial leasing. The Group maintains stable and long-term relationships with a number of reputable financial institutions, such as Bank of China, Industrial and Commercial Bank of China, China Construction Bank, Agricultural Bank of China, Bank of Communications, Postal Savings Bank of China, Huaxia Bank, China CITIC Bank, China Zheshang Bank, China Merchants Bank, Industrial Bank, Huaxing Bank, Bank of Beijing, Bank of Guangzhou, Shanghai Pudong Development Bank and China Minsheng Bank. As at 30 June 2025, the Group had aggregated banking facilities of approximately RMB126.3 billion, of which approximately RMB70.5 billion was unutilised. The Group believes that it has a robust liquidity position. The Group has good credit record in the capital market and is capable of raising funds in the capital market to meet its financing needs from time to time. It has

successfully issued medium-term notes, corporate bonds, short-term financing bills and ultra-short-term financing bills without any defaults. As at 30 June 2025, the Group had issued multiple corporate bonds and medium-term notes, raising a total of RMB60.0 billion, and multiple offshore bonds raising a total of approximately USD2.2 billion. In addition, the Group actively manages its cash flow and capital commitments to ensure that it has sufficient funds to meet its existing and future cash flow requirements. Also, the Group maintains a healthy debt composition.

As at 30 June 2025, the Group had total interest-bearing indebtedness of RMB99,672.9 million (among which, RMB36,182.8 would be matured within one year, RMB46,301.7 would be matured in one to three years, RMB9,218.6 would be matured in three to five years and RMB7,969.8 would be matured in more than five years).

As at 30 June 2025, the Group's long-term loans represented approximately 22.3% of the Group's total liabilities. The Group's ability to access diversified sources of funding and its strong financing capability have enabled it to fulfil the capital need of its businesses and to capitalise on various business opportunities. The Group believes that it will continue to have access to sufficient capital to support its business operations and expansion

Prudent risk management and sound investment risk management systems

The Group has implemented a comprehensive risk management and internal control systems in respect of the Group's business risks, project risks and legal risks by collecting, monitoring and evaluating risks and eventually disposing these risks. For risk management, the Group collects risk management information from its subsidiaries periodically and conducts safety and risk inspections. The risk management committee is responsible for supervising the board of directors and ensuring that the Group's daily operation complies with applicable laws and internal risk control mechanisms. For internal control, The Group's senior management and the government regularly have in-depth discussions regarding the key projects and essential appraisal procedures are conducted before investment decisions are taken, and the key projects includes external investments, asset disposal, capital increase and financing.

The Group has also developed comprehensive investment management and investment risk management systems by implementing a set of policies and procedures. For details of the Group's risk management and internal control mechanism, please see "*Description of the Group — Business — Risk Management and — Internal Control.*"

Experienced management team with extensive industry knowledge and management expertise

The Group has an experienced management team with extensive knowledge in the industries in which the Group operates. The Group believes that the team's industry knowledge and technical expertise enable the Group to make prudent investment decisions so as to strengthen its operations in the relevant sectors. Most of the Group's senior management members are involved in the day-to-day management of the Group's businesses. Please see "Directors, Supervisors and Management" for further information on the Group's senior management team. Under the sound leadership of its management team and leveraging their past experience, the Group has successfully achieved its missions over the years and distinguished itself from its competitors.

The Group's experienced management team is also supported by a dedicated team of staff with extensive technical and industry knowledge. As at 30 June 2025, the Group had a total of approximately 5,065 employees. The Group believes in the benefits of improving the skills and knowledge of its management team and employees, and regularly conducts both in-house and external management and professional training programmes.

Rigorous and sound management system that runs through every phase of the investment cycle.

The Group's competitive edge is anchored in a rigorous, sound management system that runs through every phase of the investment cycle:

- **Asset Management Centre:** the Group owns the full “pre-investment control to post-exit” value chain. The Group locks the full life-cycle in a closed loop driven by five levers: asset management, equity oversight, title registration, performance reviews and post-investment management. Anchored by the Group's Authority List (權責清單), we export a standardised Regulatory Dictionary (監管字典) and assign each portfolio company its own checklist, backed by a dedicated specialist team that protects and grows every asset.
- **Risk Control Centre:** guided by “one anchor, two pillars, three synergies,” the Group merges risk, compliance and legal expertise into a single, standardized rulebook that blankets the three JK-Park (金科園) segments. The Group operates a three-pronged risk shield — front-loaded reviews, continuous risk monitoring and rapid resolution of major exposures — honing a battle-hardened risk corps that keeps every threat outside the wall and every operation on a steady course.
- **Treasury & Finance Centre:** with “three separations, three unifications and two concentrations” (三分三統二集中), the Group runs a vertical-and-horizontal treasury matrix that centralises over 90 per cent. of all funds. The Group holds both Fitch BBB+ and China Chengxin AAA, and through C-Park REITs, green USD bonds and digital-yuan notes we have forged the “GDD Holding” financing brand — delivering same-day liquidity for every mission-critical project.
- **Human Resources Centre:** driven by a “value creation + profit service” mandate, the Group deploys market-based hiring, project co-investment, super-motivation schemes and term-limit contracts. The Group openly recruits sector leaders and builds a strong “Jin-Yue Youth” (金粵青年) pipeline, with 100 per cent. of staff on performance-linked pay, ensuring our first-class talent engine powers every future upgrade.

BUSINESS STRATEGIES

The Group aims to maintain its leading position as an investment platform and financial services provider with strong ability to serve the development of Guangzhou Development District. The Group's goal is to grow its financial investment portfolio, park construction and management, licensed financial business and to become the flagship financial holding group in the Guangdong-Hong Kong-Macao Greater Bay Area. Staying true to guiding principles of developing greater consciousness of the need to maintain political integrity, thinking in big-picture terms, following the leadership core, and keeping in alignment, and fostering stronger confidence in the path, theory, system, and culture of socialism with Chinese characteristics, the Group will strive to modernize and deepen the reformation of

its management structure to enhance and improve its capabilities in financial and technology innovation and real economy servicing. The Group intends to focus on the following business strategies:

Build a flagship operator of strategic emerging industries by synergising technology-driven financial service capability, technology strategic investment capability and technology-park operation capability

As the largest state-owned enterprise in Guangzhou Development District and Huangpu District, the Group will align itself with Guangzhou’s overarching development agenda, stay on the “Technology + Finance” pathway and continue to act as the pacesetter for SOE innovation and deep-rooted reform. It will strive to lift the market capitalisation of its listed subsidiaries, turn both its controlled and strategically invested listed companies into sector leaders and propel the Group itself into China’s Top-300 service enterprises. To optimise resource allocation, unlock cross-segment synergies and hit this overarching target, the Group will focus on three mutually reinforcing pillars:

- **Technology-driven Financial Services:** anchored by Yuekai Securities and Guangzhou Kaide Financial Services Group Co., Ltd. (廣州凱得金融服務集團有限公司), the Group will expand its licensed footprint in brokerage, asset management, investment banking, leasing and guarantee; scale up fund AUM; and extend its service chain to green finance, IP-backed lending and pre-IPO mezzanine solutions, creating a closed-loop capital ecosystem for technology companies.
- **Technology Strategic Investment:** anchored by Guangzhou High-tech Zone Technology Holding Group Co., Ltd. (廣州高新區科技控股集團有限公司), Guangzhou Kaide Venture Capital Investment Co., Ltd. (廣州凱得創業投資股份有限公司) and Yuekai Securities, the Group will build a strategic-investment platform that balances incubation with value realisation and uses both direct stakes and fund vehicles to harvest opportunities at the mature-growth and early-stage ends of the spectrum. As Guangzhou Development District’s largest technology-focused shareholding platform by assets, the Group will leverage its integrated capital-services edge to develop IAB and new-energy/new-material (NEM) industries, channelling capital into next-generation information technology, artificial-intelligence and biotech champions as well as into advanced manufacturing bellwethers.
- **Technology-park Operation:** leveraging Guangzhou Development District Investment Holding Co., Ltd. (廣州開發區投資控股有限公司), Guangzhou Kaide Asset Operation Co., Ltd. (廣州凱得資產運營有限公司) and Guangzhou Kaiyun Development Co., Ltd. (廣州凱雲發展股份有限公司), the Group will create a premium tech-services provider and park operator positioned as “incubator + accelerator”. It will tailor start-up services to companies at every stage of the campus life-cycle, co-sponsor high-tech industry funds with third-party capital and mobilise the Group’s in-house financial toolkit to deliver full-chain, synchronised investment-and-financing solutions, ultimately forging a high-calibre hub for innovators and entrepreneurs. Concurrently, the Group will prioritise the development of signature parks — smart-manufacturing clusters, big-data campuses and intelligent parks — headlined by Phase-II Headquarters Economic Zone, Big-Data Industrial Park and Smart Park developments.

Continue to develop the Group’s financial and investment business and promote financial innovation

The Group will continue to strengthen its financial and investment business by utilising its industry experiences accumulated over the years and leveraging its pivotal role in the regional financial services industry as a leading state-owned financial service and investment firm.

- The Group will continue to expand its licensed financial business and create new profit streams. To this end, the Group intends to make equity investments in financial entities with promising return prospects, such as regional and national banks, securities companies, insurance companies and trust companies. Specifically, the Group’s acquisition of Yuekai Securities and relocation of its headquarters from Huizhou to Guangzhou will put the Group on the map as a flagship financial services provider in Guangzhou. Yuekai Securities will be reshaped into a financial service platform to serve the technology companies based in Guangzhou, in particular, the Guangzhou Development District, and enable the Group to capture the growth opportunities presented by these fast-growing, high-potential technology companies. While Yuekai Securities will continue to strengthen its traditional businesses in wealth management, investment banking, asset management and investment consulting, it also seeks to expand into equity research and private equity investments in order to build a venture-capital business model and create synergies between industrial development and financial services in the region. It will also explore the possibility of venturing into ETF market making. It aims to position itself as a “Financial Supermarket” in the Guangzhou Development Zone and project business strength in FinTech and its influence across Guangdong-Hong Kong-Macau Greater Bay Area and other areas of the PRC, becoming a first-class boutique broker. The Group expects to receive steady returns from these equity investments in the long run.
- The Group will continue to focus on the further development of its fund management business. To this end, the Group intends to devote its efforts to developing its venture investment funds, equity investment funds and municipal development funds to invest in or buy out suitable target financial institutions.
- The Group intends to further promote financial innovation. Leveraging its existing resources as the developer and management service provider of projects and science parks, the Group will also provide financial services to the tenants such as equity investment, micro loans and over-the-counter trading to get not just the rent but also the overall return from the innovative financial services.

Continue to develop the Group’s heat and power supplies business and improve its operating efficiency

The heat and power supplies business generates the majority of the Group’s revenue, and provide stable source of income for the Group. The Group will continue to operate, strengthen and expand its heat and power supplies business. The Group plan to optimise the structure of its energy business by increasing the proportion of high-capacity coal-fired units application while vigorously developing natural gas other renewable power generation units. Furthermore, the Group intend to continue to enhance the energy conversion

efficiency and reduce the net coal consumption rates of thermal power units. The Group plan to reduce emission resulting from the power generation process and strengthen the desulfurization and denitrification processes.

Adhere to prudent financial management with stringent risk control

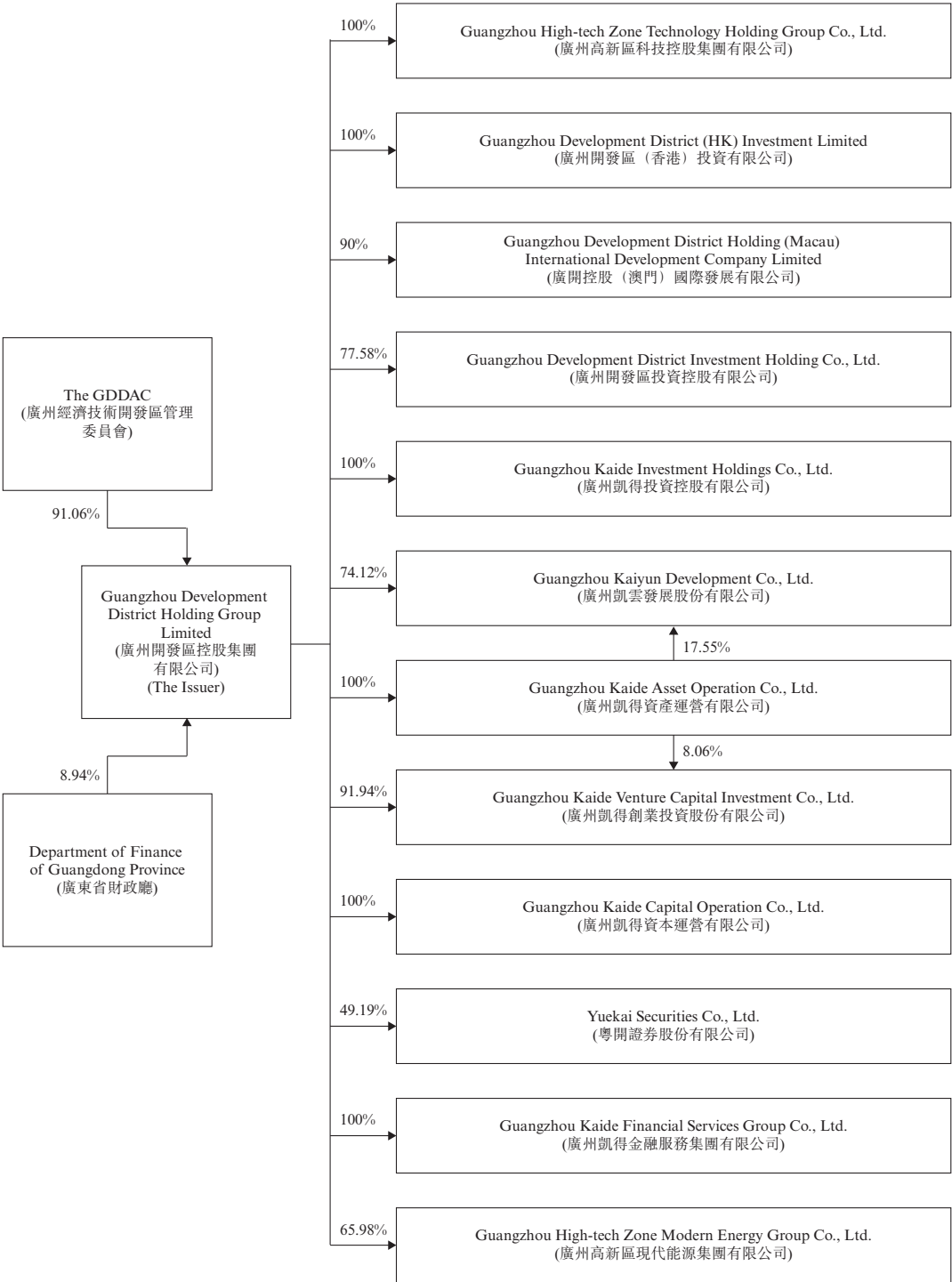
The Group believes that a prudent financial management system can reduce operational and financial risks and help achieve long-term sustainable growth. The Group will continue to implement its dividend policies to ensure stable distribution from its subsidiaries. In addition, the Group will continue to implement and enhance its prudent financial management system with well-defined policies and procedures, prudent investment policy that targets to achieve balance between assets and liabilities, between investment return and risk taking, and between principal business and other ancillary business and to strengthen cooperation with banks, to seek alternative sources of financing and to maintain a balanced indebtedness structure consisting of short-term, medium-term and long-term credit facilities.

Continue to build a professional management team and further improve corporate governance

The Group believes that its experienced management team and sound corporate governance structure have been key factors in contributing to its growth and development. The Group will continue to build a professional management team with well-qualified and experienced personnel, carry out regular training so as to enable the Group to continue to improve the efficiency of its operations and achieve its strategic goals through the expertise, and continuity, of the Group's management team. In addition, the Group has adopted a systematic management approach to manage its business in a disciplined manner and will continue to improve and streamline its management structure and internal control systems to control operational and investment risks and enhance the efficiency of its business operations.

CORPORATE STRUCTURE

The following chart summarises the corporate structure of the Group as at 30 June 2025:



HISTORY AND DEVELOPMENT

The following sets out a number of key events in the business and corporate development of the Group:

- On 6 November 1998, the GDDAC approved the establishment of the Group's predecessor, Guangzhou Kaide Holdings Co., Ltd. (廣州凱得控股有限公司).
- In July 1998, the GDDAC approved the acquisition of Guangzhou Hengyun's shares from Guangzhou Development District International Trust Investment Corporation and Guangzhou Development District Industry Development Corporation Co., Ltd.
- In October 2002, Guangzhou Kaide Holdings Co., Ltd. purchased from Chongqing Wujiang Electric Power Co., Ltd. shares of SCI (Guangzhou) Investment Group Co., Ltd. and became its largest shareholder.
- In August 2012, Guangzhou Kaide Holdings Co., Ltd. entered into a joint venture to produce 8.5 — generation liquid-crystal screen with LG Display Co., Ltd.
- From 2012 to 2014, Guangzhou Kaide Holdings Co., Ltd. was consecutively named a “Top 500 Service Enterprises of China” published by China Enterprise Confederation.
- In March 2017, Guangzhou Kaide Holdings Co., Ltd. invested in NASDAQ listed BeiGene Co., Ltd.
- In July 2017, Guangzhou Kaide Holdings Co., Ltd. was renamed and the Group's current name was adopted.
- In October 2017, the Group invested in organic light-emitting diode (OLED) manufacturing project with LG Display.
- In April 2018, the Group got an “AAA” credit rating from China Chengxin International Credit Rating Co., Ltd.
- In July 2018, the Group successfully issued an aggregate principal amount of RMB5 billion corporate securities.
- In November 2018, the Group subscribed 20% of the issued and outstanding shares of Urtrust Insurance with an investment of RMB920 million.
- In November 2018, one of the Group's subsidiary, Guangzhou High-Tech Holding, acquired 125,920,000 shares of Beijing Leadman for a consideration of RMB980.0 million. Such acquisition was completed by the end of 2018, and the Group has become the controlling shareholder of Beijing Leadman.

- In March 2019, the Group increased its shareholding in Lianxun Securities to 47.24% and became its controlling shareholder. Lianxun Securities effected a name change to Yuekai Securities and relocated its headquarter from Huizhou to Guangzhou.
- In October and November 2019, the Group successfully issued two series of corporate bonds in aggregate principal amount of RMB4.5 billion.
- In August 2020, the Group launched “Intellectual Property Assets Securitization 2.0” products.
- In September 2020, the Group was ranked as one of the Top 500 Services Enterprises of China.
- In December 2020, the Group issued an aggregate principal amount of USD500 million offshore bonds, and became the first listed company in the Guangzhou city having US-dollar denominated bonds dual-listed on the stock exchanges of Hong Kong and Macau.
- In January 2021, the name of the Group changed from “Guangzhou Development District Financial Holdings Co., Ltd.” to “Guangzhou Development District Holding Group Limited”.
- In August 2021, the controlling shareholder of the Company transferred 10% of the equity of the Company to Guangdong Provincial Department of Finance with nil consideration. The Company completed the shareholder change registration procedures and the articles of association filing on 6 August 2021.
- In June 2022, GET Investment Holding, a wholly-owned subsidiary of the Company, completed the acquisition of 26.9% of the issued share capital of Taisheng Wind for a total consideration of RMB1,621.4 million and become the controlling shareholder of Taisheng Wind. On 16 June 2023, the Group amended its registered capital to RMB11,419.2 million, in which the subscribed capital contribution of the GDDAC amounts to RMB10,382.8 million and the subscribed capital contribution of Department of Finance of Guangdong Province stands at RMB1,036.3 million.
- On 15 August 2023, the Group amended its registered capital to RMB11,485.0 million, in which the subscribed capital contribution of the GDDAC amounts to RMB10,448.6 million and the subscribed capital contribution of Department of Finance of Guangdong Province stands at RMB1,036.3 million.
- On 3 April 2024, the Group as the original equity holder of E Fund Guangzhou Development District High-Tech Industrial Park Closed-End Infrastructure Securities Investment Fund (易方達廣州開發區高新產業園REIT) (Code: 180105), received approval for registration of this REITs project from the CSRC and the Shenzhen Stock Exchange. This marks the first industrial park infrastructure REITs project approved in Guangzhou city. On 23 September 2024, such REITs project was listed on the Shenzhen Stock Exchange.

- On 27 September 2024, the Group was officially designated as a “Double-Hundred Enterprise”(雙百企業) by the State-owned Assets Supervision and Administration Commission of the State Council, becoming the first district-level SOE (區屬國企) in China to be awarded this prestigious distinction.
- On 26 December 2024, the Group amended its registered capital to RMB11,591.3 million, in which the subscribed capital contribution of the GDDAC amounts to RMB10,555.0 million and the subscribed capital contribution of Department of Finance of Guangdong Province stands at RMB1,036.3 million. On 6 March 2025, the amended registered capital was approved by Guangzhou Huangpu District Market Supervision Administration Bureau (廣州黃浦區市場監督管理局).

RECENT DEVELOPMENTS

Financial information as at and for the six months ended 30 September 2025

As at 30 September 2025, as compared to the balance as at 31 December 2024, the Group recorded an increase in its total assets. As at 30 September 2025, as compared to the balance as at 31 December 2024, the Group recorded a decrease in its total current liabilities and an increase in its total non-current liabilities, primarily due to the development of the Group’s business.

For the nine months ended 30 September 2025, the Group recorded an increase in its operating income, non-operating revenue, operating profit and net profit as compared to the same period in 2024. The Group’s non-operating expenses for the nine months ended 30 September 2025 increased compared with the corresponding period in 2024, primarily due to the comprehensive renovation and upgrade of commercial plaza.

The Group’s financial information as at and for the nine months ended 30 September 2025 is not included in and does not form part of this Offering Circular and has not been reviewed or audited. None of the Joint Lead Managers (or any of their respective affiliates, directors, officers, employees, representatives, advisers, agents and each person who controls any of them) makes any representation or warranty, express or implied, regarding the accuracy of such financial information or its sufficiency for an assessment of the Group’s financial condition and results of operations. Potential investors must exercise caution when using such financial information to evaluate the Group’s financial condition and results of operations. Such information should not be taken as an indication of the Group’s expected financial condition or results of operations as at and for the full financial year ending 31 December 2025. See “*Risk Factors — Risks relating to the Group’s Business and Industry — The Company published and may continue to publish periodical financial information in the PRC pursuant to applicable PRC regulatory rules. Investors should be cautious and not place any reliance on the financial information other than that disclosed in this Offering Circular.*”

AWARDS AND RECOGNITIONS

The Group has received numerous awards and recognitions as set forth in the table below:

<u>Year</u>	<u>Awards</u>	<u>Organisers</u>
2009	Vice President Enterprise	Guangzhou Credit Association
2010	Association Enterprise of Venture Capital Association of IAC	Venture Capital Association of IAC
2012	Guangdong Province SME Financing Demonstration Institution	Guangzhou Small-and-Medium Enterprises Bureau
2011–2013 . .	Bronze Award of China Excellent Venture Capital Institution	Venture Capital Association of IAC
2014	Private Investment Fund Manager Registration Certificate	Asset Management Association of China
2016	Vice President Enterprise	Guangdong Financing Guarantee Association
2017	Member Enterprise	China Financing Guarantee Association
2017–2021 . .	Secretary-General Enterprise	Association of Guangzhou National Equities Exchange and Quotations (“NEEQ”) Corporations
2017–2021 . .	Vice President Enterprise	Association of Guangzhou NEEQ Corporations
2018	Best Video Award	Shanghai Stock Exchange
2018	Most Loved Investor Education Video Award	Shanghai Stock Exchange
2018	Most Loved Investor Education Graphic Award	Shanghai Stock Exchange
2018	2017 Annual Charitable Prize of Huangpu District	Charity Society of Guangzhou Huangpu District
2018	President Unit of Guangzhou Entrepreneurship and Venture Capital Association	Guangzhou Entrepreneurship and Venture Capital Association
2018	Vice President Unit of Guangzhou Science and Technology Innovation Technology Innovation Association	Guangzhou Science and Association
2019	Outstanding Investor Education Award	Shanghai Stock Exchange
2019	Junding Award for Emerging Securities Brokers in China	Securities Times
2019	Key Research Topic by the Chief Economics on “The Impacts of Foreign Capital Inflows and Financial Opening Trends in China’s Capital Market”	Securities Association of China

Year	Awards	Organisers
2019	2019 Securities App Digital Wealth Management Award and 2019 Securities Business App Liked by Young Users	Securities Companies in China
2019	STAR Market Investor Education Graphics Special Award	Shanghai Stock Exchange
2019	Most Popular Strategic Analyst by Online Investors	Shanghai Securities News
2019	First Batch of Recognised Headquarters Enterprises in Guangzhou	Guangzhou Municipal Government
2020	The 2019 (Fifth) Brokerage App Billboard has three major awards: “Best User Service App”, “Most Favourite App” and “Best Operation Team”	Brokers Wealth Management Innovation Summit
2020	2020 Junding award for Emerging Securities Brokers in China and 2020 Junding Award for Investor Education Team in China	Securities Times
2020	Top 500 Service Enterprises of China	China Enterprise Confederation and China Enterprise Directors Association
2021	The Time Weekly Brand Value Award	The Time Weekly
2021	Association Enterprise	Guangzhou Financial Guarantee Association
2022	2022 Lingnan Financial and Cultural Ambassador Excellence Award	Guangzhou Municipal Bureau of Local Financial Supervision and Administration
2022	2022 Golden Bull Award: The Best Acquisition Case	China Securities Journal
2022	Top 500 Service Enterprises of China	China Enterprise Confederation and China Enterprise Directors Association
2022	Outstanding Participating Institutions in Intellectual Property Asset Securitisation	Shenzhen Stock Exchange
2022	Lingnan Financial Culture Innovation Award	Guangdong Financial Supervisory Authority, Guangzhou Municipal Bureau of Local Financial Supervision and Administration, China Guangzhou International Finance Expo Organising Committee, Lingnan Finance Museum and Guangzhou Finance Professionals Association

Year	Awards	Organisers
2022	2022 CRIC National Top 10 Industrial Park Operator Brands	CRIC China
2022	2022 Guangdong Province Small & Medium-sized Enterprise Innovation Pilot Base	Department of Industry and Information Technology of Guangdong Province
2023	LEED Platinum Certification	U.S. Green Building Council
2023	Guangdong Province Small and Micro Enterprise Entrepreneurship and Innovation Pilot Base	Guangdong Provincial Department of Industry and Information Technology
2023	Guangdong Gold Engineer Award and Guangdong Outstanding Construction Project Award	Guangdong Construction Industry Association
2023	Muse Design Awards Landscape Category Gold Award	MUSE Design Awards
2023	Top 500 Service Enterprises of China	China Enterprise Confederation and China Enterprise Directors Association
2023	Silver Winner, International Design Awards (IDA)	Farmani Group
2023	Greater Bay Area Outstanding Fixed-Income Product Issuer of the Year	Shenzhen Stock Exchange
2024	Top 500 Service Enterprises of China	China Enterprise Confederation and China Enterprise Directors Association
2024	Muse Design Awards Architecture Category Gold Award	MUSE Design Awards
2025	GBE Best Urban Landmark Complex Award	GBE Architecture Forum

The Group's subsidiaries have received numerous awards and recognitions as set forth in the table below:

Guangzhou Kaide Investment Holdings Co., Ltd. (廣州凱得投資控股有限公司)	Guangdong (Guangzhou) Opto-Mechatronics Technology Research Institute Co., Ltd. (光機電(廣州)科技研究院有限公司)	Yuekai Securities Co., Ltd. (粵開證券)
2024 Top 50 Private Equity Firms in China	National High-Tech Enterprise	2025 Wealth Management Supreme Awards <ul style="list-style-type: none"> ● Best Private-Banking Service Award ● Best Investor-Education Award ● Best Wealth-Management Brand Award
2023 Top 50 Private Equity Firms in China	Innovative SME of Guangdong Province	2024 China Securities Asset-Management Equity Team Jun Ding Award
“Taisheng Wind Energy” project honoured with “Golden Bull Best M&A Case” Award	Guangdong “Specialized, Refined, Distinctive & Novel” SME	2023 China Securities Awards (Jun Ding) <ul style="list-style-type: none"> ● Investor-Education Award ● Retail Brokerage Award ● Fixed-Income and Asset-Management Plan Award
Ranked among Top 30 investors in China's Carbon-Neutrality sector of 2021	Post-Doctoral Research Workstation	2022 China Securities Awards (Jun Ding) <ul style="list-style-type: none"> ● Retail Brokerage Award ● Asset-Management ABS Team Award
Portfolio company “SVOLT Energy” listed in Top 10 Carbon-Neutrality Investment Cases of 2021	Guangdong Opto-Mechatronic Equipment Engineering Technology Research Centre	2022 China Securities Golden Bull Award — Golden Bull Growth Wealth-Management Team

BUSINESS

The Group's operations primarily focus on seven business segments, including (i) heat and power supplies, (ii) project construction and management, (iii) science park construction and management, (iv) financial services, (v) bio-medicine, (vi) high-end equipment manufacturing and (vii) other businesses.

The following table sets forth a breakdown of the revenue from each business segment of the Group for the periods indicated:

Business segment	For the year ended 31 December						Six months ended 30 June			
	2022		2023		2024		2024		2025	
	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income
	<i>(RMB in millions, except percentages)</i>									
Heat and Power Supplies	3,673.9	39.3	4,704.1	33.1	4,333.0	34.7	2,181.0	42.0	2,151.1	36.0
Project Construction and Management	855.0	9.2	1,070.8	7.5	924.0	7.4	492.4	9.5	562.8	9.4
Science Park Construction and Management	144.0	1.5	1,462.9	10.3	513.0	4.1	22.6	0.4	82.6	1.4
Financial Services	1,385.5	14.8	1,166.1	8.2	1,164.7	9.3	529.4	10.2	593.8	9.9
Bio-Medicine	675.9	7.2	422.7	3.0	336.4	2.7	172.1	3.3	139.3	2.3
High-End Equipment Manufacturing	1,972.2	21.1	4,781.5	33.6	4,837.8	38.7	1,626.3	31.3	2,298.5	38.5
Other Businesses ⁽¹⁾	637.9	6.8	604.1	4.3	384.7	3.1	172.5	3.3	146.3	2.4
Total operating income	9,344.6	100.0	14,212.1	100.0	12,493.7	100.0	5,196.3	100.0	5,974.4	100.0

Note:

- (1) Income generated by fund investment business is not included in the chart above as it is categorised as investment income.

The following table sets forth a breakdown of the Group's cost of sales from each business segment for the periods indicated:

Business segment	For the year ended 31 December						Six months ended 30 June			
	2022		2023		2024		2024		2025	
	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income
	<i>(RMB in millions, except percentages)</i>									
Heat and Power Supplies	3,919.6	53.2	4,009.8	38.6	3,668.3	38.7	1,902.6	49.8	1,726.0	39.1
Project Construction and Management	436.2	5.9	567.4	5.5	468.6	4.9	205.2	5.4	239.4	5.4
Science Park Construction and Management	114.2	1.6	877.2	8.5	376.3	4.0	18.8	0.5	62.1	1.4
Financial Services	337.8	4.6	314.8	3.0	339.1	3.6	161.9	4.2	188.1	4.3
Bio-Medicine	410.4	5.6	194.2	1.9	179.6	1.9	80.2	2.1	78.2	1.8
High-End Equipment Manufacturing	1,658.7	22.5	3,929.3	37.8	4,170.6	44.0	1,320.6	34.5	2,002.2	45.4
Other Businesses	495.7	6.7	493.1	4.8	286.7	3.0	134.0	3.5	115.6	2.6
Total cost of sales	7,372.6	100.0	10,385.8	100.0	9,489.1	100.0	3,823.2	100.0	4,411.5	100.0

HEAT AND POWER SUPPLIES

Overview

The Group conducts its heat and power supplies business mainly through its subsidiary, Guangzhou Hengyun (SZSE: 000531) and Suikai Electric. Established in 1992, Guangzhou Hengyun is a state-controlled, listed company specialising in power generation and central heating in Guangzhou, and is also one of the first listed companies in Guangzhou. Established in 2016, Suikai Electric specialises in electricity sales and collaborates with Guangzhou Hengyun in power generation and sales area. Together, they provide a strong support for the improvement of the Development District through combined heat and power.

The Group applies a cogeneration model (or, Combined Heat and Power, “CHP”) in conducting this business, namely high-temperature and high-pressure steam produced by the steam boilers of a thermal power plant first passes through a turbo-generator set to generate electricity. After power generation, the low-pressure steam is then used for industrial production, steam sterilisation in hotels and hospitals, as well as heat supply for space heat, among other purposes. This is an efficient production method that has been widely encouraged and promoted by government policies. The advantage of this CHP model lies in its ability to promote energy conservation and environmental protection. The units can not only generate electricity and be supplied to the grid, but also supply steam for industrial projects, replace traditional small industrial boilers, thereby further enhancing energy conservation and environmental protection.

As at 30 June 2025, the total installed capacity of the Group’s power plants was 3.09 GW, comprising installed capacity of coal- and gas-fired power plants of 2.04 GW and installed capacity of centralised solar PV of 1.05 GW. As at 30 June 2025, the energy storage capacity of the Group was 0.36 GWh and clean-energy amounted for more than two-thirds of the Group’s energy portfolio.

The following table sets forth a breakdown of the Group’s revenue from heat and power supplies for the periods indicated:

Type of business	For the year ended 31 December						Six months ended 30 June			
	2022		2023		2024		2024		2025	
	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income
	<i>(RMB in millions, except percentages)</i>									
Power Supplies	2,657.0	72.3	3,712.6	78.9	3,326.6	76.8	1,668.7	76.5	1,682.2	78.2
Heat Supplies	1,016.9	27.7	991.4	21.1	1,006.4	23.2	512.2	23.5	469.0	21.8
Total	3,673.9	100.0	4,704.1	100.0	4,333.0	100.0	2,181.0	100.0	2,151.1	100.0

The following table sets forth a breakdown of the Group's cost of sales from heat and power supplies for the periods indicated:

Type of business	For the year ended 31 December						Six months ended 30 June			
	2022		2023		2024		2024		2025	
	Amount	% of total operating cost	Amount	% of total operating cost	Amount	% of total operating cost	Amount	% of total operating cost	Amount	% of total operating cost
	<i>(RMB in millions, except percentages)</i>									
Power Supplies	3,075.1	78.5	3,238.7	80.8	2,901.1	79.1	1,511.4	79.4	1,365.4	79.1
Heat Supplies	844.5	21.6	771.1	19.2	767.2	20.9	391.2	20.6	360.6	20.9
Total	3,919.6	100.0	4,009.8	100.0	3,668.3	100.0	1,902.6	100.0	1,726.0	100.0

The following table sets forth a breakdown of the Group's gross profit from heat and power supplies for the periods indicated:

Type of business	For the year ended 31 December						Six months ended 30 June			
	2022		2023		2024		2024		2025	
	Amount	gross profit margin (%)	Amount	gross profit margin (%)	Amount	gross profit margin (%)	Amount	gross profit margin (%)	Amount	gross profit margin (%)
	<i>(RMB in millions, except percentages)</i>									
Power Supplies	-418.1	—	473.9	12.8	425.5	12.8	157.3	9.4	316.8	18.8
Heat Supplies	172.5	17.0	220.3	22.2	239.1	23.8	121.0	23.6	108.4	23.1
Total	-245.6	—	694.2	14.8	664.7	15.3	278.4	12.8	425.1	19.8

Power Generation

Overview

The Group's power generation sector is mainly conducted by Guangzhou Hengyun and Suikai Electric. Guangzhou Hengyun develops, invests, constructs, manages and operates power plants, and sells the power generated by such power plants to power grid companies and large power end-users. Guangzhou Hengyun is the leading industrial-heat supplier in Guangzhou Development District, having built 106 km of steam-distribution pipelines and delivering steam to over 140 customers, including Master Kong, P&G and Amway. As at 30 June 2025, Guangzhou Hengyun is the largest district-heating and the second largest local power generation company in Guangzhou in terms of installed capacity, one of the top 500 energy groups in the PRC, and one of the top 500 Guangdong enterprises.

The following table sets forth certain operational data of the Group’s power generation business for the years ended 31 December 2022, 2023, 2024 and for the six months ended 30 June 2024 and 2025:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
Controllable installed capacity (kW in millions)	1.6	2.5	3.1	2.5	3.1
Power generated (kWh in billions) . .	6.4	7.7	7.0	3.6	3.7
On-grid electricity (kWh in billions) .	5.9	7.2	6.5	3.3	3.5
Utilisation hours	5,555	5,280	4,528	2,259	2,138
Average on-grid electricity price (RMB/kWh, tax excluded)	0.4435	0.5011	0.4	0.4764	0.4312
Net coal consumption rate (g/kWh) .	330.2	332.3	330.6	324.2	331.0

Note:

- (1) The data calibre of controlling installed capacity, total power generated, and on-grid electricity include data of coal-fired units and natural gas distributed energy units.

Sales and Settlement

The primary customer for the Group’s power generation is Guangdong Power Grid Co., Ltd. (廣東電網有限責任公司) (“**Guangdong Power Grid**”). Under the current trading rules of the Guangdong Power Exchange Centre (廣東省電力交易中心) (“**Guangdong Power Exchange**”), the pricing method is determined based on the type of settled electricity volume. For medium and long-term electricity volume, the on-grid electricity price is generally formed within the range of “benchmark price + floating range” through market transactions. After Guangdong Power Grid carries out actual settlement monthly in accordance with the settlement basis provided by Guangdong Power Exchange, the Group and Guangdong Power Grid will settle through bank account transfers. The electricity charges of the current month are confirmed, invoiced, settled, and collected in the next month, with a payment period within one month.

Heat Supplies

Overview

Guangzhou Hengyun produces heat while generating electricity with its state-of-art cogeneration system. It is one of the five central heating suppliers authorised by Guangzhou Municipal Government to operate in the municipality, and is the only authorised supplier in Guangzhou Development District. Guangzhou Hengyun’s cogeneration units employ the coal-steam combined cycle cogeneration systems to generate heat energy and supply heat power, and the heat energy will be distributed to industrial end users within the coverage of its network.

The whole central heating supplies business in the eastern and western areas of Guangzhou Development District is undertaken by Guangzhou Hengyun which currently owns four coal-fired cogeneration units, and its subsidiaries, Guangzhou Hengyun Heat Engineering Construction Co., Ltd. (廣州恒運熱能工程建設有限公司) and Guangzhou Hengyu Heat Group Co., Ltd. (廣州恒運熱能集團有限公司), which own heat boilers. Another subsidiary

of Guangzhou Hengyun, Dongguan Hengyun New Energy Co., Ltd. (東莞恒運新能源有限公司), takes responsibility for the heat supplies to Mayong Town, Dongguan City (東莞市麻涌鎮).

The following table sets forth certain operational data of the Group's heat supplies business for the years ended 31 December 2022, 2023, 2024 and for the six months ended 30 June 2024 and 2025:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
Heat supply capacity (tons/hour) . . .	1,212.6	1,212.6	1,690.6	1,690.6	1,690.6
Heat generated (tons in millions) . . .	3.8	4.0	4.2	2.1	2.0
Unit price of heat supply (RMB/ton)	267.4	246.6	236.0	243.2	215.2

Sales and Settlement

The Group's main customers in terms of heat supply business are production and manufacturing enterprises, and the Group adopts a direct sales model to sell steam directly to customers. The unit price of heat steam implements a coal-heat price linkage mechanism. Generally, the steam coal price from the Guangzhou South China Coal Trade Centre (華南煤炭交易中心) is used as the benchmark, which is then used to adjust the corresponding benchmark unit price of steam sales. The benchmark unit price of steam sales is adjusted at the beginning of each quarter. The Group settles payments with heat supply customers via bank account transfers, and it confirms revenue and issues invoices in the current month, and settles and receives payments in the following month, with a payment term of within one month. With the strengthened investment promotion efforts in Guangzhou Development District, the number of enterprises settled in the park has been increasing year by year, indicating a promising outlook for the heat supply business.

Fuel Procurement

The Group's main procurement item is coal, and its procurement models mainly include long-term agreement contract procurement model and market procurement model. The Group conducts coal procurement annually based on actual production and operation needs. Generally, at the beginning of one year or the end of the previous year, it confirms the annual or multi-year coal procurement volume with suppliers and signs spot contracts and long-term agreement contracts, respectively. The price of coal under long-term agreement is determined in accordance with the mechanism of "current year's benchmark price + floating price." The benchmark price is generally the midpoint of the reasonable range of medium-term and long-term agreement prices stipulated by the state; the floating price is calculated based on the changes in market price indices such as the comprehensive price index of the National Coal Centre, the comprehensive price of 5,500 kcal thermal coal in the Bohai Rim region (環渤海地區), the comprehensive transaction price of 5,500 kcal thermal coal in Qinhuangdao (秦皇島), and the China Electric Coal Index (CECI), with corresponding adjustments made according to coal type and quality. For market procurement model, the procurement price of coal under market procurement fluctuates in line with market conditions. The settlement cycle starts from the date when the loaded ship departs from the loading port. After the Group receives the goods, the supplier issues settlement documents, and the issuer settles the payment within the current month by means of bank account transfer.

In terms of suppliers, the Group has signed long-term coal purchase contracts with major domestic coal enterprises, including China Shenhua Energy Company Limited (神華集團有限責任公司) and its Guangzhou Branch, China National Coal Group Corporation (中國中煤能源集團有限公司), and Inner Mongolia Yitai Group Co., Ltd. (內蒙古伊泰集團有限公司). Since coal is mainly sourced from regions such as Shanxi and Inner Mongolia, and sea transportation is the primary mode of transportation, the Group maintains long-term cooperative relationships with leading domestic shipping enterprises like COSCO Shipping Bulk Co., Ltd. (中遠海運散貨運輸有限公司). This not only enables the Group to enjoy preferential transportation prices but also ensures the timeliness of coal transportation effectively.

The following table sets forth certain operational data of the Group’s Fuel Procurement for the years ended 31 December 2022, 2023, 2024 and for the six months ended 30 June 2024 and 2025:

	<u>Year ended 31 December</u>			<u>Six month ended 30 June</u>	
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2024</u>	<u>2025</u>
Procurement volume					
(tons in thousand)	3,469.6	3,303.8	2,813.8	1,368.4	1,479.2
Settlement price (RMB/ton)	1,008.3	863.5	790.3	816.0	630.1

PROJECT CONSTRUCTION AND MANAGEMENT

Overview

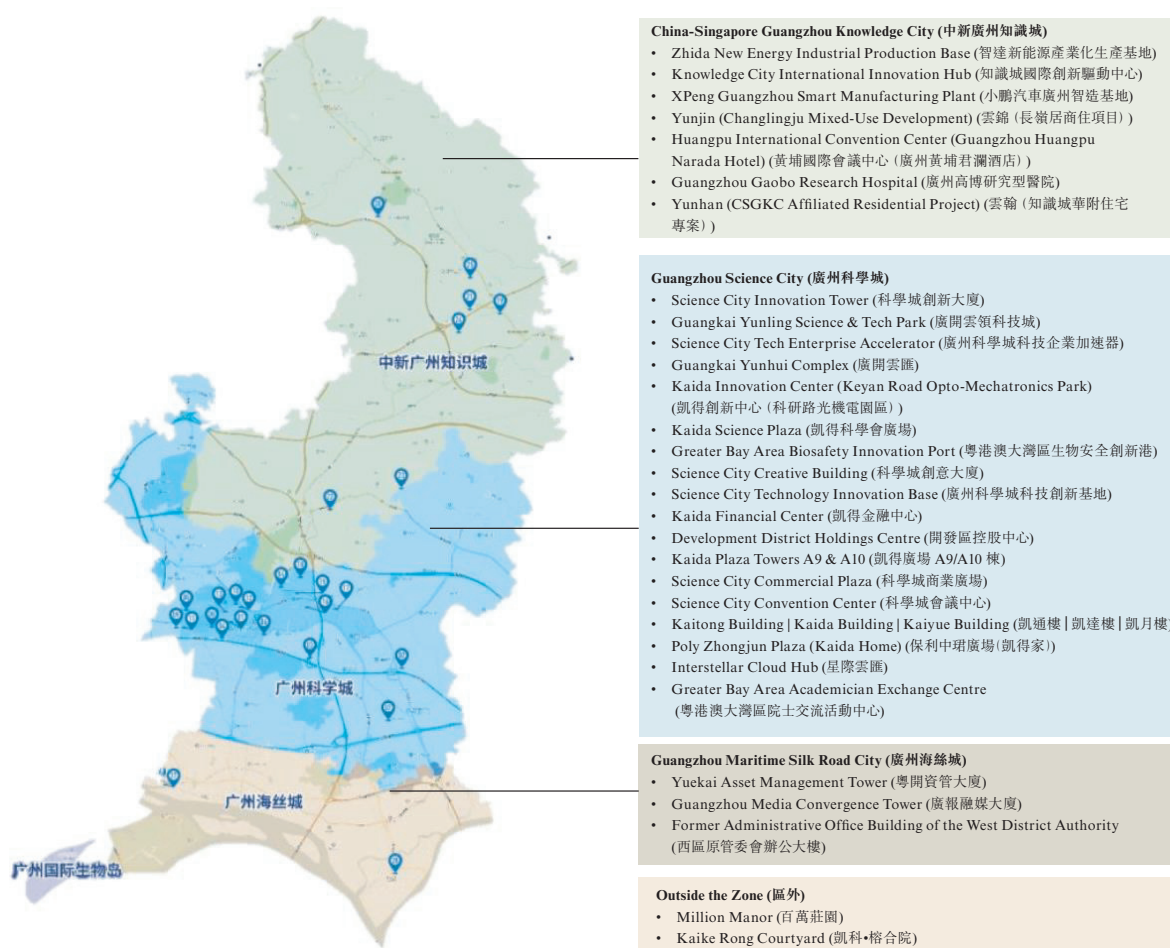
The Group has mainly conducted its project construction and management business by certain subsidiaries, including Guangzhou Development District Investment Holdings Co., Ltd. and Guangzhou Kaiyun Development Co., Ltd. The Group’s project construction and management business mainly include property leasing, property management service and project construction business. The Group adopts an integrated model of innovation centres, incubators and accelerators, delivering lifecycle services to resident companies and supporting their growth within the park. Through incubation, venture investment, technology services, and park management, it has built a technology ecosystem that covers the full-service value chain. By integrating technology-focused investment operations, the Group cultivates a dynamic and vibrant business environment within Guangzhou Development District.

As at 30 June 2025, major properties owned by the Group include the Technologies Enterprises Accelerator of Guangzhou Development District (開發區企業加速器) (“Accelerator”), Guangzhou Science City Plaza (廣州科學城商業廣場), Science Society Plaza (科學會廣場), Development Zone Holding Centre (開發區控股中心), Phase II of Headquarters’ Economic Zone of Guangzhou Science City (廣州科學城總部經濟區二期) and others. These properties mainly located on both sides of the main roads of Guangzhou Science City and around the administrative centre, with a superior geographical location. As at 30 June 2025, more than 600 enterprises residence in the Group’s major properties, providing revenue for the Group’s property leasing and property management business.

The revenue of the Group's project construction and management business is primarily derived from property leasing and property management services. The following table sets forth a breakdown of the Group's revenue from project construction and management for the periods indicated:

Type of business	For the year ended 31 December						Six months ended 30 June			
	2022		2023		2024		2024		2025	
	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income
	<i>(RMB in millions, except percentages)</i>									
Property leasing	503.7	58.9	625.7	58.4	588.3	63.7	247.5	50.3	372.6	66.2
Property management	280.9	32.9	307.1	28.7	268.2	29.0	207.7	42.2	153.8	27.3
Others	70.4	8.2	138.1	12.9	67.6	7.3	37.1	7.5	36.4	6.5
Total	855.0	100.0	1,070.8	100.0	924.0	100.0	492.4	100.0	562.8	100.0

The following chart sets forth the geographic distribution of the Group's major projects:



Projects in Operation

The following table sets forth certain operating information in relation to the Group's major projects in operation as at 30 June 2025:

<u>Project Name</u>	<u>Source of Property</u>	<u>GFA</u> <i>(thousand m²)</i>	<u>Number of the resident enterprises</u>	<u>Average rent</u> <i>(RMB/m²/month)</i>	<u>Leased rate</u> <i>(per cent.)</i>	<u>Type</u>
Baoli Zhongjun Plaza (保利中環廣場)	Leased	63.2	1	15	100	Apartment
Greenland Central Plaza S8 Block (綠地中央廣場S8棟)	Purchased	1.5	3	199	100	Commercial use/Office
Greenland Carpark (綠地停車位)	Purchased	4	1	350	100	Carpark
Western District Factory (西區廠房)	Transferred	1.4	1	24	100	High-end office
Transportation Service Building (交通服務大樓)	Transferred	0.6	1	0	100	Factory
Kaike Ronghe Courtyard (凱科•榕合院)	Transferred	12.1	53	152.7	100	Commercial use/Office
Science and Technology Personnel Apartments (科技人員公寓)	Transferred	1.1	8	20.7–21.4	84.9	Supporting apartments
Interstellar Cloud Hub (星際雲匯)	Constructed	52.1	40	71.0	84.1	Commercial use/Office/ Apartment
Guangzhou Development Zone Technology Enterprise Accelerator Phase V (廣州開發區科技企業加速器五期)	Constructed	98.2	97	29.6–38.9	81.6	Supporting apartment
Youth Garden Property (青年苑物業)	Purchased	3.4	54	15.6	80.6	Commercial use
Guangzhou Development Zone Technology Enterprise Accelerator Phases I, II, and III (廣州開發區科技企業加速器一二三期)	Constructed	572	141	28.8–51.8	73.8	Factory
Kaide Innovation Centre (凱得創新中心)	Transferred	26.4	78	54.7	78.7	Office
Longkou Technology Tower (龍口科技大廈)	Transferred	9.9	64	73.4	83.1	Commercial use/Office
Port & Shipping Centre (港航中心)	Purchased	12.6	9	89.3	63.1	Apartment
Development Zone Holding Centre (開發區控股中心)	Purchased	59.8	39	130.2	64.1	Commercial use/Office
Guangzhou Development Zone Technology Enterprise Accelerator Phase IV (廣州開發區科技企業加速器四期)	Constructed	74.5	74	27–184.8	53.4	Supporting apartment
Former Office Building of West District Administrative Committee (西區管委會原辦公大樓)	Transferred	34.9	6	39.3–56.2	53.2	Office
Science Society Plaza (科學會廣場)	Purchased	36	9	43.8	40.3	High-end office

<u>Project Name</u>	<u>Source of Property</u>	<u>GFA</u> <i>(thousand m²)</i>	<u>Number of the resident enterprises</u>	<u>Average rent</u> <i>(RMB/m²/month)</i>	<u>Leased rate</u> <i>(per cent.)</i>	<u>Type</u>
Kaide Centre (凱得中心)	Constructed	62.5	25	87.2	79.8	Office
Guangzhou Science City Commercial Plaza A1-A4 (廣州科學城商業廣場A1-A4)	Purchased	78.7	28	63.4	72.4	High-end office
Greater Bay Area Biosafety Innovation Harbor (粵港澳大灣區生物安全創新港) . .	Constructed	138.3	4	30	12.3	Factory
XPENG Guangzhou Smart Manufacturing Base (小鵬汽車廣州智造基地) . . .	Constructed	229.4	1	21.0	100	Factory
Total	—	<u>1,343.2</u>	<u>736.0</u>	—	—	—

Projects under Construction or Planned to be Constructed

The following table sets forth certain operating information in relation to the Group's major projects under construction or planned to be constructed as at 30 June 2025:

<u>Project Name</u>	<u>Investment Period</u>	<u>Total Investment Amount</u>	<u>Invested Amount</u> <i>(RMB in millions)</i>	<u>Amount Collected</u>
Knowledge City Southern Resettlement District Phase II (知識城南安置區二期項目)	2017–2024	1,077	716	7.9
Yongjiu Expressway KC-13 Section (永九快速路KC-13段)	2020–2024	447	150	5.4
Knowledge City Southern Hospital (Kowloon New City Complex) (知識城南方醫院(九龍新城綜合醫院)建設項目)	2019–2024	1,526	1,031	7.6
Total		<u>3,050</u>	<u>1,897</u>	<u>2,094.2</u>

Resident Enterprises

The Group aims to attract market leaders and technology enterprises to reside in its properties with its quality property management services and strategic focus on providing investment to foster the growth of technology firms. Paired with its technology investment business, the Group has created a dynamic business environment in Guangzhou Development District through its project construction and management business, in which the Group carefully cultivates future star technology firms while generating rent revenue from these firms.

The Group has adopted a model combining innovation centres, incubators and accelerators, providing services through resident enterprises' development cycle to support the growth of the enterprises in the industrial parks. The residents in such office buildings, economic zones and industrial parks comprise high technology companies

specialised in blockchain, artificial intelligence, information technology, biotechnology, new energy and new materials. Through incubation, innovative investment, technology services and park management, the Group created a technology ecosystem encompassing a value investment chain of services.

As at 30 June 2025, more than 600 enterprises residence in the Group's major properties, which mostly consist of industry-leading information technology and biomedical enterprises, including notable names like Medprin Regenerative Medical Technologies Co., Ltd. (廣州邁普再生醫學科技股份有限公司) and Xpeng Motors (小鵬汽車).

SCIENCE PARK CONSTRUCTION AND MANAGEMENT

Overview

The Group has been conducting its science park construction and management business since 2010 through the Group's subsidiaries, Guangzhou Development District Investment Holdings Co., Ltd., Guangzhou Hengyun Construction Investment Co., Ltd. (formerly known as Guangzhou Jinze Real Estate Development Co., Ltd.) and Guangzhou Yilong Real Estate Development Co., Ltd. Most of the Group's properties are located within the Guangzhou Development District. The following table sets forth the breakdown of the financials of the Group's science park construction and management business:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	<i>(RMB in millions, except percentages)</i>				
Operating revenue	144.0	1,462.9	513.0	22.6	82.6
Cost of sales	114.2	877.2	376.3	18.8	62.1
Gross profit	29.8	585.6	136.7	3.8	20.5

The revenue from Group's science park construction and management business increased from RMB144.0 million for the year ended 31 December 2022 to RMB1,462.9 million for the same period in 2023 because revenue from sale of projects in Guangbao Yunhui (廣報雲匯), Knowledge City Innovation Hub (知識城驅動中心) and CapitaLand Financial Centre (凱德金融中心) was recognised in 2023. The revenue from Group's science park construction and management business decreased from RMB1,462.9 million for the year ended 31 December 2023 to RMB513.0 million for the same period in 2024 primarily due to the prolonged downturn in the property market.

Projects Developed or under Development

The key projects the Group developed or is developing include First Phase and Second Phase of Headquarters' Economic Zone of Guangzhou Science City (廣州科學城總部經濟區二期), Guangzhou Daily Science and Culture Centre (廣州日報科技文化中心), Guangdong-Hong Kong-Macao Greater Bay Area (Guangzhou) Technology Finance Centre (粵港澳大灣區(廣州)科技金融中心) and Changlingju Commercial and Residential Project (長嶺居商住項目).

The following table sets forth information regarding the science park projects that are under construction as at 30 June 2025:

Project Name	Guangdong-Hong Kong-Macao Greater Bay Area (Guangzhou) Technology Finance Centre (粵港澳大灣區(廣州)科技金融中心)	Changlingju Commercial and Residential Project (長嶺居商住項目)	Zhongxin Knowledge City International Innovation-Driven Centre Project (中新知識城國際創新驅動中心項目)	Guangzhou Innovative Research-Oriented International Hospital and Medical Industry Transformation Platform Project (廣州创新型研究型國際醫院暨醫療產業轉化平台項目)	Interstellar Cloud Hub (星際雲匯)
Property Type	Commercial	Commercial and Residence	Commercial	Medical	Commercial
Total investment amount (RMB in billion)	8.0	3.2	7.4	0.8	2.6
Amount invested (RMB in billion)	5.9	2.5	4.0	0.6	2.2
GFA (thousand m ²).	280.7	152.5	542	85	152.8
Construction cycle	Sep. 2020–Mar. 2027	Dec. 2020–Dec. 2027	Oct. 2019–Dec. 2030	Oct. 2023–Sep. 2025	May. 2020–Oct. 2025
Project Name	Guangdong Development Asset Management Building (粵開資管大廈)	Knowledge City ZSCXNA5-2 Residential Plot (知識城ZSCXNA5-2住宅地塊)	Guangdong-Hong Kong-Macao Greater Bay Area Strategic Technology Enterprise Headquarters Project (Guangdong Development Yunling Tech City) (粵港澳大灣區戰略科技企業總部專案(廣開雲領科技城))	Yunlin Technology City Phase I Construction Project (Guangkai Yunlin Technology City) (雲領科技城一期建設專案(廣開雲領科技城))	
Property Type	Commercial	Commercial	Commercial and Residence	Commercial and Residence	
Total investment amount (RMB in billion)	2.1	3.5	2.7	1.7	
Amount invested (RMB in billion)	1.2	2.1	1.2	0.5	
GFA (thousand m ²).	104.5	163.5	203.4	270.6	
Construction cycle	Nov. 2023–Apr. 2027	Jul. 2024–Jan. 2029	Mar. 2024–Aug. 2028	Apr. 2024–Jun. 2026	

FINANCIAL SERVICES

The Group’s financial services business is dedicated to serving the economic development of the Guangzhou Development District and building a leading state-owned financial holding company focusing on industry investment, operation of Development District and licensed financial services. The Group’s financial services businesses comprise of securities business, financial leasing and financing guarantee. The Group carries out its financial services business mainly through its subsidiaries, GET Financial Leasing Co., Ltd. (“**GET Financial Leasing**”) and Yuekai Securities (formerly known as Lianxun Securities).

The following table sets forth a breakdown of the operating revenue from each business segment of the Group’s financing services business for the periods indicated:

Type of business	For the year ended 31 December						Six months ended 30 June			
	2022		2023		2024		2024		2025	
	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income	Amount	% of total operating income
	<i>(RMB in millions, except percentages)</i>									
Securities Service Business . . .	1,290.0	93.1	1,127.6	96.7	1,123.6	96.5	505.6	95.5	592.8	99.8
Financial Leasing	81.3	5.9	33.6	2.9	3.5	0.3	4.8	0.9	0.6	0.1
Guarantee Business	14.2	1.0	4.8	0.4	0.3	0.03	0.3	0.1	0.1	0.0
Others	—	—	—	—	37.3	3.2	18.8	3.5	0.3	0.1
Total	1,385.5	100.0	1,166.1	100.0	1,164.7	100.0	529.4	100.0	593.8	100.0

Securities Business

As one of the first securities companies in the Chinese securities market, Yuekai Securities was established in 1988. Yuekai Securities is a nationwide, full-licensed comprehensive securities firm, with core businesses including, among others, brokerage, proprietary trading, investment banking, asset management and margin trading & securities lending. Securities brokerage, proprietary trading, and margin trading & securities lending are Yuekai Securities’ primary revenue drivers. Brokerage mainly comprises agency services that enable clients to buy and sell equities, mutual funds, bonds and other listed instruments. Yuekai Securities has established four flagship business centres in Beijing, Shanghai, Guangzhou and Shenzhen, operates more than 80 branches and maintains a nationwide network that combines deep local presence with national reach. Leveraging an integrated “Investment + Research + Investment Banking” model, Yuekai Securities creates a closed-loop “triple-investment” ecosystem that delivers specialized financing, advisory and research services to corporate clients. In its investment arm, Yuekai Securities has built a synergistic industrial-investment matrix with the Group. Leveraging both QDLP and QFLP pilot licences, Yuekai Securities unites multiple platforms to steer capital worldwide, anchoring global allocations while amplifying domestic value creation. In its research arm, Yuekai Securities focuses on research-investment synergy, delivering fine-tuned guidance that channels rigorous investment insights straight into both investment decisions and investment-banking solutions. In its investment banking arm, Yuekai Securities delivers professional and end-to-end services that convert plans into executable deals, expedite project implementation and channel capital efficiently into industrial financing.

For the year ended 31 December 2022, 2023, 2024 and for the six months ended 30 June 2024 and 2025, the Group generated from its securities business operating revenue of RMB1,290.0 million, RMB1,127.6 million, RMB1,123.6 million, RMB505.6 million and RMB592.8 million, respectively.

Financial Leasing

The Group conducts its financial leasing business mainly through its subsidiary, GET Financial Leasing. For the year ended 31 December 2022, 2023 and 2024 and for the six months ended 30 June 2024 and 2025, the Group generated from its financial leasing business operating revenue of RMB81.3 million, RMB33.6 million, RMB3.5 million, RMB4.8 million and RMB0.6 million, respectively. GET Financial Leasing mainly provide services to the energy, electricity, equipment manufacturing, automobile sector and green photovoltaic sector with a sale-leaseback business model. As at 30 June 2025, GET Financial Leasing has provided 70 financing leasing facilities with total amount of approximately RMB3.7 billion to 53 enterprises.

Financing Guarantee

The Group conducts its financing guarantee business mainly through its subsidiary, Guangzhou GET Financing & Guarantee Co., Ltd (“**GET Financing Guarantee**”). As at 30 June 2025, GET Financing Guarantee has seven clients for its guarantee business. It has provided 1,891 financing guarantee facilities with total amount of approximately RMB11.9 billion to 616 distinct enterprises (1,040 if duplicates are counted). It has extended 998 loan-guarantee facilities with total amount of approximately RMB5.4 billion to 588 borrowers (counting duplicates) located in Guangzhou Development District. As at 30 June 2025, GET Financing Guarantee’s outstanding financing-guarantee balance was RMB29.3 million, of which RMB11.0 million was backed by counter-guarantees.

BIO-MEDICINE BUSINESS

Bio-medicine assumes an increasing importance as a key area of the Group’s future business development. The Group conducts its bio-medicine business mainly through its subsidiary, Guangzhou High-Tech Holding. Guangzhou High-Tech Holding has invested in BeOne Medicines Ltd. (百濟神州有限公司) (688235.SH, 6160.HK, ONC.O) and InnoCare Pharma Limited (諾成健華醫藥有限公司) (688428.SH, 9969.HK).

Guangzhou High-Tech Holding holds 46.35 per cent. of total issued shares of Beijing Leadman and is its controlling shareholder as at the date of this Offering Circular. Beijing Leadman is a nationally recognised High and New Technology Enterprise specialising in the research and development, production, and sale of in vitro diagnostic products, diagnostic equipment and biochemicals. Responding to market demand, it develops its production plans based on confirmed downstream sales contracts, historical sales performance, and existing inventory level. Its sales revenue is derived from a combination of direct sales to end customers and sales through third-party distributors. It has developed long-term and stable business cooperation with around 500 distributors forming a nationwide sales network. Beijing Leadman also sources high-quality raw materials to produce in vitro diagnostic products and purchases main parts and components from suppliers to manufacture diagnostic equipment. The Group’s operating revenue of bio-medicine business is mainly from Beijing Leadman’s sales of diagnostic reagents, diagnostic instruments and biochemical raw materials.

Moreover, Guangzhou High-Tech Holding is partnering with Guangzhou Maipu Regenerative Medical Technology Co., Ltd. to build the Guangdong-Hong Kong-Macao Greater Bay Area High-Performance Medical Device Innovation Centre under the philosophy of “industry + innovation + finance” to promote the development of bio-medical business in Guangzhou in order to establish Guangzhou as a world-class city with leading life and health industries. In addition, the Group signed a strategic investment agreement with Luye pharma Group to fully cooperate in the vaccine health industry. The Group also participated as a strategic investor in the strategic placement of Beigene Co., Ltd. on the Shanghai Stock Exchange in December 2021.

For the year ended 31 December 2022, 2023, 2024 and for the six months ended 30 June 2024 and 2025, the Group’s bio-medicine business generated operating revenue of RMB675.9 million, RMB422.7 million, RMB336.4 million, RMB172.1 million and RMB139.3 million, respectively, which was mainly derived from the sale of in vitro diagnostic products, diagnostic equipment and biochemicals by Beijing Leadman. For the year ended 31 December 2022, 2023, 2024 and for the six months ended 30 June 2024 and 2025, the Group’s bio-medicine business generated gross profits of RMB265.5 million, RMB228.4 million, RMB156.8 million, RMB91.9 million and RMB61.1 million, representing gross profit margins of 39.3%, 54.0%, 46.6%, 53.4% and 43.9%, respectively.

HIGH-END EQUIPMENT MANUFACTURING

Overview

The Group conducts its high-end equipment manufacturing business mainly through its subsidiary, Taisheng Wind (300129.SZ), which is listed on the Shenzhen Stock Exchange. Taisheng Wind became a subsidiary of the Group in June 2022, when the Group became the controlling shareholder of Taisheng Wind, holding approximately 26.9% of the shares in Taisheng Wind. Taisheng Wind was incorporated in 2001, was one of China’s first companies dedicated solely to wind-tower manufacturing and one of world’s leading professional manufacturers of the supporting towers for wind generators. Through years of technological innovation and production, Taisheng Wind has mastered a number of core technologies and production processes in the field of wind power equipment. As of 30 June 2025, Taisheng Wind has possessed over 300 patents covering different areas and has obtained key qualifications including but not limited to ISO9001 International Quality Management System Certification (ISO9001國際品質管制體系認證), ISO3834–2 Welding Quality Management System Certification (ISO3834–2焊接品質管制體系認證), EN1090–1&2 EU Steel Structure Production Qualification Certification (EN1090–1&2歐盟鋼結構製作資質認證), Japanese Construction Steel Structure Production Qualification (日本建築鋼結構製作資質大臣認定), DNV Det Norske Veritas Certification (DNV挪威船級社認證), Recognition for BV Mode II Scheme (法國船級社認證), JIS Japanese Steel Structure Manufacturing License Certification (JIS日本鋼結構製造許可認證) and Special Equipment (Pressure Vessel) Manufacturing License (特種設備(壓力容器)製造許可). Taisheng Wind has participated in the formulation of multiple national and industry standards for wind-power equipment and has been listed among the Global Top 500 New Energy Enterprises in 2022, 2024 and 2025.

Taisheng Wind primarily engages in the manufacture, sale and installation of equipment, accessories and parts for generating wind power, such as wind towers, for both onshore and offshore wind power generation projects and marine engineering equipment. For the year ended 31 December 2022, 2023, 2024 and for the six months ended 30 June 2024 and 2025, the Group’s high-end equipment manufacturing business generated operating revenues of RMB1,972.2 million, RMB4,781.5 million, RMB4,837.8 million, RMB1,626.3 million and RMB2,298.5 million, respectively, representing 21.1%, 33.6%, 38.7%, 31.3% and 38.5%, respectively, of the Group’s total operating income.

Procurement

Taisheng Wind adopts a sales-oriented model for its procurement, where it determines the quantity of raw materials to be procured subsequent to the signing of sales contracts and with reference to the amount of raw materials required to fulfil the sales contracts. The main raw material procured by Taisheng Wind are steel plates used for its production of wind towers and other wind power generation equipment.

To better control the quality and costs of the raw materials, Taisheng Wind has set up departments to oversee the procurement of raw materials in different phases, including but not limited to the application, quotation, inspection and delivery of the raw materials. Based on criteria such as suppliers’ qualification, scale of operation, quality control ability and turnaround time etc., Taisheng Wind established a “Qualified Suppliers Directory” that mainly consists state-owned enterprises and large privately held enterprises. The company has also established long term stable relationship with its main suppliers.

The following table sets out the Group’s raw materials sourced from top five major suppliers in the high-end equipment manufacturing business for the year ended 31 December 2024:

	Year ended 31 December 2024	
	Amount	% of the Total
	<i>(RMB in millions)</i>	
Supplier 1	384.9	8.8
Supplier 2	266.9	6.1
Supplier 3	181.8	4.2
Supplier 4	174.7	4.0
Supplier 5	153.8	3.5
Total	1,162.1	26.6

The following table sets out the Group’s raw materials sourced from top five major suppliers in the high-end equipment manufacturing business for the six months ended 30 June 2025:

	Six months ended 30 June 2025	
	Amount	% of the Total
	<i>(RMB in millions)</i>	
Supplier 1	282.4	9.8
Supplier 2	233.3	8.1
Supplier 3	157.2	5.5
Supplier 4	135.2	4.7
Supplier 5	<u>134.5</u>	<u>4.7</u>
Total	<u>942.5</u>	<u>32.8</u>

Production

Taisheng Wind’s production also adopts a sales-oriented model, where the company procures raw materials based on the sales contracts it has signed and plans the production in accordance with its procurement arrangement. Once a sales contract is signed, Taisheng Wind’s marketing department informs the production department product types, designs and delivery timeline of the relevant products. Various professional teams under the company’s production department commence the production process accordingly. The products will be delivered to the locations designated by the customers after the completion of the production. Throughout the production process, Taisheng Wind’s internal quality control department, together with customers’ onsite quality control personnel, will inspect products and ensure that only qualified products will be delivered to the customers. Taisheng Wind’s products include onshore wind power, offshore wind power step-up substation platform, offshore wind power, offshore wind power pipe pile and offshore wind power jacket foundation.

Taisheng Wind primarily fulfils client orders and completes the production within its own facilities. However, where large volume of orders needs to be fulfilled in a short period of time, it may engage contractors or outsource part of its production process. Whenever any contractor is engaged or any part of the production is outsourced, enhanced quality control measures such as sending onsite supervisors or conducting regular evaluations will be adopted by Taisheng Wind to ensure the quality of the products.

Taisheng Wind’s factories are strategically distributed across ten key locations: Hami, Mulei, Jeminay, Hulunbuir, Baotou, Daqing, Nantong, Dongtai, Yangzhou and Shanghai.

The following table sets out the Taisheng Wind’s sales volume, production volume and inventory level for onshore (Steel Tower) wind power equipment for the periods indicated:

	Year ended 31 December			Six months ended
				30 June
	2022	2023	2024	2025
Sales Volume ('000 tonnes)	314.3	439.4	482.8	236.2
Production Volume ('000 tonnes)	351.7	406.3	503.6	243.8
Inventory ('000 tonnes).	110.1	77.0	97.8	106.0

The following table sets out the Taisheng Wind’s sales volume, production volume and inventory level for onshore (Concrete Tower) wind power equipment for the periods indicated:

	Year ended 31 December			Six months ended
				30 June
	2022	2025	2024	2025
Sales Volume ('000 m ³).	—	17.4	136.4	59.4
Production Volume ('000 m ³).	—	18.4	210.7	17.9
Inventory ('000 m ³).	—	1.1	75.4	33.9

The following table sets out the Taisheng Wind’s sales volume, production volume and inventory level for offshore wind power equipment for the periods indicated:

	Year ended 31 December			Six months ended
				30 June
	2022	2025	2024	2025
Sales Volume ('000 tonnes)	58.3	128.5	81.2	45.8
Production Volume ('000 tonnes)	60.1	139.1	91.7	56.7
Inventory ('000 tonnes).	4.9	15.6	26.1	37.1

Sales

Taisheng Wind usually obtains orders for high-end equipment manufacturing through either bidding or business negotiation. It generates revenue from the differences between the selling prices of products and the cost of sales.

Through its production and operation in the past years, by closely following customers’ business updates and providing timely technical and service support in its collaboration with customers, Taisheng Wind has established long-term relationship with a number of high-quality customers and secured stable demand for its products. It is also a qualified supplier for many well-known domestic and international companies such as Vestas, Hitachi and Goldwind.

The following table sets out the Group's revenue generated from top five major customers in the high-end equipment manufacturing business for the year ended 31 December 2024:

	Year ended 31 December 2024	
	Amount <i>(RMB in millions)</i>	% of the Total
Customer 1	1,151.2	23.8
Customer 2	842.6	17.4
Customer 3	609.3	12.6
Customer 4	483.5	10.0
Customer 5	351.7	7.3
Total	<u>3,438.3</u>	<u>71.1</u>

The following table sets out the Group's revenue generated from top five major customers in the high-end equipment manufacturing business for the six months ended 30 June 2025:

	Six months ended 30 June 2025	
	Amount <i>(RMB in millions)</i>	% of the Total
Customer 1	751.9	32.7
Customer 2	466.6	20.3
Customer 3	193.8	8.4
Customer 4	171.0	7.4
Customer 5	147.9	6.4
Total	<u>1,731.2</u>	<u>75.3</u>

OTHER BUSINESSES

Overview

The Group's other businesses include fund investment, policy-guided fund investment, direct equity investment and other ancillary business. For the years ended 31 December 2022, 2023, 2024 and for the six months ended 30 June 2024 and 2025, the Group generated from its other businesses operating revenues of RMB637.9 million, RMB604.1 million, RMB384.7 million, RMB172.5 million and RMB146.3 million, respectively, representing 6.8%, 4.3%, 3.1%, 3.3% and 2.4%, respectively, of the Group's total operating income for the corresponding period.

Fund Investment

The Group's fund investment business includes equity investment in innovative, technology companies, directly or indirectly through various funds managed by the Group. It is an important financing platform that supports the development of technology, bio-medicine and financial services companies in Guangzhou Development District. The Group conducts its fund investment business on its own and through its subsidiaries, Guangzhou GET Venture Capital Co., Ltd (“**GET Venture Capital**”), Guangzhou High-Tech Holding and Guangzhou GET Investment Holdings Co., Ltd (“**GET Investment Holding**”). As at 30 June 2025, the Group invested in more than 100 companies, including GAC Aion New Energy Automobile Co., Ltd., Human Horizons Holding (Shanghai) Co., Ltd., AVATR Co., Ltd., Aulton New Energy Automotive Technology Co., Ltd. and Tofflon Science and Technology Group Co., Ltd. Among the Group's investees, 13 companies, including Ankai (Guangzhou) Microelectronics Technology Co., Ltd., Guangzhou Tech-Long Packing Machinery Co., Ltd., Hunan Boyun New Materials Co., Ltd., Guangzhou Improve Medical Instruments Co., Ltd., Vtron Group Co., Ltd., Guangzhou Gaoland Energy Conservation Tech Co., Ltd., Xiangxue Pharmaceutical Co., Ltd., Huizhou Speed Wireless Technology Co., Ltd., Top Resource Energy Co., Ltd. and Shanghai REFIRE Group Limited have successfully went public, and seven companies, including Surexam Biotechnology Co. Ltd. and Guangzhou Jinghua Optics & Electronic Instrument Co., Ltd., are listed on the NEEQ. The Group continues to invest in a wide range of innovative, technology industries, including new material, artificial intelligence, smart manufacturing, information technology, environmental and biotech industries.

The Group achieves synergy from Its funding investment with the other business segments. For example, the Group routinely invites prominent technological firms to become resident enterprises in its buildings, economic zones and industrial parks, bolstering the profile of its parks and generating rent revenue. The Group also combines its services under project management, fund investment and financial services to provide comprehensive, multi-facet, full cycle support for SMEs at different stages. It also learns key financial information from the due diligence it conducts for making investments in technological firms, and is able to make sound credit decisions before extending financial guarantee services to any small or medium sized enterprise as part of its financial services business.

The Group is constantly developing innovative financing methods. It issued the highest amount of public bonds among all the state-owned enterprises in Guangzhou Development District, and its financing cost is lower than the average market level, enabling the Group to compete effectively for investment projects.

The Group will play a crucial role in Huangpu District of Guangzhou and Guangzhou Development Zone's deepened collaboration with the NEEQ and the Beijing Stock Exchange, cultivating suitable companies on a path of “reorganization-NEEQ listing-elevated innovation-Beijing Stock Exchange listing”. The Group understands the different mechanisms, preferences and target investors in Shanghai, Shenzhen and Beijing stock exchanges and how they complement each other, and will cultivate and prepare SMEs for public listing based on the characteristics of the SMEs and the stock exchanges.

Policy-Guided Fund Investment

Established in 2008, GET Venture Capital mainly invests and manages the policy-guided and seed funds in Guangzhou Development District with a focus on establishing a strong portfolio of small- and medium-sized technology firms. As at 30 June 2025, GET Venture Capital invested in 20 funds including Guangdong Zhongkebaiyun Fund, Guangzhou Liding Fund, Guangzhou Lidinghengyi Fund, Guangzhou Detong Kaide Fund and Lingkang Biology Fund, etc. As at 30 June 2025, GET Venture Capital managed funds of an overall size of RMB6,265 million.

GET Venture Capital receives dividends from its portfolio companies and realizes returns at exiting the investment in proportion to its ownership stake. GET Venture Capital also invests in fund management companies of certain sub-funds, enabling GET Venture Capital to derive income from the management fee that such fund management companies receive. Each of the fund managed by GET Venture Capital employs complex metrics to carefully select their portfolio companies, which metrics complement each other.

The following table sets forth the listed enterprises which GET Venture Capital has invested through funds:

<u>Enterprise Name</u>	<u>Date</u>	<u>Share Ownership</u>	<u>Listing Venue</u>
Guangdong Yantang Dairy Co., Ltd. (燕塘乳業) (SZSE:002732)	2010	30,000 shares	SZSE
Anyka Microelectronics (安凱微電子) (SSE: 688620)	2018.09	3,463,040 shares	SSE
Shenzhen Xunjiexing Technology Corp., Ltd. (迅捷興) (SSE: 688665)	2018	4,571,400 shares	SSE
Jinghua Optics (晶華光學) (874232.NQ)	2019	12,153,600 shares	BSE
Polyrocks Chemical Co., Ltd. (聚石化學) (SSE: 688669)	2019	1,153,860 shares	SSE
InnoScience (Suzhou) Technology Holding Co., Ltd. (英諾賽科) (2577.HK)	2019	13,346,428 shares	Hong Kong Stock Exchange
REFIRE Energy Limited (重塑能源) (2570.HK) . .	2020.09	1,314,400 shares	Hong Kong Stock Exchange
Shanghai MicuRx Pharmaceutical Co., Ltd. (盟科藥業) (SSE: 688373)	2020.10	4,371,903 shares	SSE
Guangzhou Robustel IoT Technology Co., Ltd. (魯邦通) (873791.NQ)	2021	292,165 shares	BSE
Shenzhen Time High-Tech Equipment Co., Ltd. (時代高科) (874663.BJ)	2021	2,108,353 shares	BSE
Shenzhen Time High-Tech Equipment Co., Ltd. (時代高科) (874663.BJ)	2021	1,720,412 shares	BSE
Suzhou Sepax Technologies Co., Ltd. (賽分科技) (SSE: 688758)	2021	7,230,000 shares	SSE
ImmuneOnco Biopharma Co., Ltd. (宜明昂科) (1541.HK)	2021	1,507,680 shares	Hong Kong Stock Exchange
Delton Technology (Guangzhou) Inc. (廣合科技) (SZSE: 1389)	2021.07	9,667,500 shares	SZSE

<u>Enterprise Name</u>	<u>Date</u>	<u>Share Ownership</u>	<u>Listing Venue</u>
Omat Advanced Materials (Guangdong) Co., Ltd. (歐萊新材) (SSE: 688530)	2021.10	7,060,800 shares	SSE
Arrivent (AVBP)	2022	814,000 shares	NASDAQ
Jiangsu Rongda Vibration Control Technology Co., Ltd. (容大股份) (873883.NQ)	2022	401,278 shares	BSE
Zhongshan Breathtex Speciality Material Co., Ltd. (博銳斯) (833434.NQ)	2023	1,000,000 shares	BSE
Ma'anshan Jingwei Slewing Bearing Co., Ltd. (經緯支承) (874221.BJ)	2023	1,081,176 shares	BSE

Direct Equity Investment

The Group directly invests in technology firms on behalf of the GDDAC mainly through GET Venture Capital. For the Group's invested capital, it realises capital gain from the returns at exit in proportion to its ownership stake and is entitled to the dividends distributed by the portfolio companies in proportion to its ownership stake.

GET Venture Capital directly invests in technology seed projects within the Guangzhou Development District as part of the GDDAC's industry upgrade policy initiative. As at 30 June 2025, GET Venture Capital had directly invested in 50 projects with a total investment amount of RMB529 million and a total profit amount of RMB203 million. The average annual return rate of seed project investment and follow-up investment were 19.17% and 41.58%, respectively. It primarily invested in technology industries and focused on identifying future star firms at seed investment stage.

Guangzhou Technology Venture Capital Co., Ltd., a subsidiary of Guangzhou Kaide Financial Services Group Co., Ltd. (廣州凱得金融服務集團有限公司), engages in venture capital investments in technology enterprises, and as at 30 June 2025, it had invested in 32 projects with a total investment of RMB683.0 million. It employs a market-driven approach in identifying prominent investment targets and negotiating investment terms to achieve optimal exit return.

Another subsidiary of the Group, Guangzhou High-Tech Holding, also invested in two overseas enterprises which focus on research, development, production and commercialisation of innovative medicine, namely BeOne Medicines Ltd. (百濟神州有限公司) (688235.SH, 6160.HK, ONC.O) and InnoCare Pharma Limited (諾成健華醫藥有限公司) (688428.SH, 9969.HK). Guangzhou High-Tech Holding holds 0.24 per cent. equity interest of BeOne Medicines Ltd. with an investment of RMB650 million and invests RMB2 million in InnoCare Pharma Limited.

Investment Project Selection Process

The Group generally conducts business, financial, legal and other due diligence that it deems reasonable and appropriate based on the relevant facts and circumstances before making fund and equity investment decisions. Every investment project is required to pass through case establishment, due diligence and risk control department, board of directors' and shareholders' approvals as well as agreement signing. The Group is entrusted to conduct due diligence in respect of the recommended projects and negotiate with the

relevant entities in relation to equity investments in the recommended projects for equity investment projects. In addition, the Group regulates and monitors its investment projects through regular risk assessment and monitoring as well as reporting management.

Ancillary Business

The Group's ancillary business includes sales of environmentally protective products, operation of parking lots, leasing of advertising spaces, project management, providing contractor workers and construction management services, etc. The sale of environmentally protective products, including desulfurizer and filling bricks, are carried out by the Group's subsidiary Guangzhou High-tech Zone Modern Energy Group Co., Ltd. (廣州高新區現代能源集團有限公司). Desulfurizer is one of the raw materials to control the emission of sulphur dioxide gas and this is conducive to the Group's efforts to reduce emissions in its heat and power supplies business. Furthermore, it invested in projects of Guangzhou Xiaopeng Motors Technology Company Ltd, which engaged in the development of vehicles powered by electricity and supported by data technology. It also acquired new energy industries such as Taisheng Wind Energy and invested in new energy industries such as Honeycomb Energy. For the year ended 31 December 2022, 2023 and 2024 and for the six months ended 30 June 2024 and 2025, the Group generated from its ancillary business operating revenue of RMB260.5 million, RMB243.6 million, RMB266.1 million, RMB132.9 million and RMB54.0 million, respectively.

RISK MANAGEMENT

Risk management is part and parcel of the business management in the Group. It permeates different levels of the Group's organizing structure. The functional departments and operating subsidiaries undertake the direct risk control responsibilities for the business and management. The risk management department is the functional department responsible for organizing and coordinating the day-to-day risk management activities. The General Manager Office organizes and implements risk management activities according to the established risk strategy and is responsible to the board of directors on the effectiveness of the risk management system. The board of directors formulates and supervises the overall risk management system of the Group and is assisted by the risk management committee which provides input to assist the board's decision making.

INTERNAL CONTROL

The Group has a sound internal control system which covers accounting, risk management, significant decision-making, investment and human resources. It ensures its accounting and financial management system is sound and in compliance with relevant laws and regulations, including the company law, accounting law, rules and standards of the PRC and articles of association of the Group. Designated bodies for financial management are set up and their respective responsibilities are determined. It stipulates the requirements for the raising and disposal of funds, accounting and management of assets, financial and equity investments, accounting of government subsidies and costs, income and profit distribution management, as well as financial reporting and disclosure requirements.

Major decisions must be properly authorized and significant decisions must be approved by SASAC of Guangzhou Development District. 'Major decisions', 'Major Personnel appointment and removal', 'Major project arrangement' and 'Great amount of capital operation' should be reported and put on record in accordance with the requirements of the

GDDAC. The meeting minutes of these “three major and one great” collective decision-making shall be issued by the execution department, and copied to the business departments, disciplinary inspection committee, supervisory committee, and discipline inspection team involved and other relevant units required by SASAC.

On day-to-day management, there are clear rules as to the type of matters that require prior approval and record, the source of proper authority, the supporting evidence required, the correct sponsoring and co-organizing department, and whether they need to be recorded by or submitted to SASAC.

In respect of investment activities, after initial decision by the investment department, the decision must be subsequently approved by the deputy general manager, general manager and chairman of the board respectively.

The Group’s human resources department is people-oriented and adheres to the scientific development principle. Other aspects of internal control system include internal audit and proper record management.

GOVERNMENT REGULATIONS

The operations of the Group are subject to various laws and regulations relating to the industries in which it operates. The Group believes that it is in compliance in all material respects with applicable government regulations currently in effect. The Group is not aware of significant problems experienced by any member of the Group with respect to compliance with government regulations in relation to its operations which could materially adversely affect its properties or operations, nor is it aware of any pending government legislation that might have a material adverse effect on its properties or operations.

ENVIRONMENTAL MATTERS

The Group is subject to various PRC national environmental laws and regulations and also environmental regulations promulgated by the local governments in whose jurisdictions the Group has operations. According to the PRC national environmental laws, the Ministry of Environmental Protection of the PRC sets national environmental protection standards and the local environmental protection department may set stricter local standards. Enterprises are required to comply with the stricter of the two standards.

China has adopted extensive environmental laws and regulations that affect the operation of the power generation industry. There are national and local standards applicable to emissions control, discharges to surface and subsurface water and disposal, and the generation, handling, storage, transportation, treatment and disposal of solid waste materials. The Group has installed desulphurisation facilities and denitrification facilities with all of the newly constructed generating units. The Group also renovates the existing generating units to enhance the efficiency of desulphurisation systems and equip such units with denitrification facilities.

For the years ended 31 December 2022, 2023 and 2024, and for the six months ended 30 June 2025, the Group had not received any material administrative penalties due to any activities that cause pollution to the environment.

INSURANCE

The Group has insurance coverage for fire, flood, other material damage to property and public liability. The Group believes that it has adequate insurance coverage provided by reputable independent insurance companies and with commercially reasonable deductibles and limits on coverage, which are normal for the type and location of the properties to which they relate to.

Notwithstanding such insurance coverage, damage to the vehicles, buildings, facilities, equipment or other properties as a result of occurrences such as fire, flood, water damage, explosion, power loss, typhoons and other natural disasters or terrorism, or any decline in the Group's business as a result of any threat of war, outbreak of disease or epidemic, may potentially have a material adverse effect on the Group's financial condition and results of operations.

EMPLOYEES

As at 30 June 2025, the Group had a total of approximately 5,065 employees.

The Group's ability to attract, retain and motivate qualified personnel is critical to its success. The Group believes that it offers its employees competitive compensation and it is able to attract and retain qualified personnel. Remuneration to employees is based on their performance, working experience, duties and the prevailing market rates.

The Group provides trainings to new employees and existing employees in order to develop their technical and industry knowledge, awareness of workplace safety standards and knowledge of the Group's corporate standards and culture.

All of the Group's management and key executives, and substantially all of the Group's other employees, have entered into employment agreements with the Group, which contain confidentiality provisions.

The Group's directors believe that the Group maintains a good working relationship with its employees. As at the date of this Offering Circular, the Group has not experienced any labour disputes that could cause material adverse effect to the Group's operation and performance.

HEALTH AND SAFETY

The Group has adopted various policies and taken measures to prevent health and safety risks and hazards. As at the date of this Offering Circular, the Group has complied in all material respects with the PRC laws and regulations on workplace safety that are applicable to its operations and projects. The Group has not been subject to any fines or administrative action by any PRC governmental authorities due to non-compliance with any relevant regulations with respect to workplace safety that could cause material adverse effect to the Group's operation and performance.

LEGAL AND REGULATORY PROCEEDINGS

The Group is involved in, from time to time, legal proceedings arising in the ordinary course of its operations.

The Fuzhou branch of Yuekai Securities entered into a share buyback financing agreement with Wang Yuhui, and such transaction was guaranteed by Zhu Ye. In 2019, Yuekai Securities determined that Mr. Wang had defaulted under the agreement and Mr. Zhu failed to perform under the guarantee. Yuekai Securities filed a claim against Mr. Wang and Mr. Zhu to recover approximately RMB83.7 million in losses. In January 2020, the court ruled in favour of Yuekai Securities. In September 2020, the Guangdong Higher People’s Court partially supported the appealing claims of Yuekai Securities. Yuekai Securities had applied for compulsory enforcement procedure.

In 2021, Rocken International Investment Management (Beijing) Co., Ltd. (洛肯國際投資管理(北京)有限公司) (“**Rocken**”) brought claims against Yuekai Securities, among others, in relation to certain bonds held under its private equity funds which were not repaid at maturity. Rocken alleged that Yuekai Securities and other intermediaries involved in the issue of the bonds were jointly and severally liable for the misrepresentations of the issuer of the bonds and claimed for RMB107.6 million on the defendant (including Yuekai Securities and other intermediaries) to bear jointly and severally. The Intermediate People’s Court of Qingdao Municipality, Shandong Province ruled against Rocken. In August 2022, the People’s High Court of Shandong Province annulled such ruling and ordered this case to be retried by the Intermediate People’s Court of Qingdao Municipality, Shandong Province. As at the date of this Offering Circular, the said case is ongoing and the results is pending. The Group has estimated possible losses in relation to this case and made appropriate provisions in its financial statements.

In 2021, Profit Great Group Limited (“**Profit Great**”) brought claims against Beijing Leadman in relation to an equity dispute, where Profit Great alleged that Beijing Leadman is liable for all damages, interests, fees and other costs caused in an amount of approximately USD8.9 million. As at the date of this Offering Circular, the said case is ongoing and the results is pending. The Group has estimated possible losses in relation to this case and made appropriate provisions in its financial statements.

In September 2023, Guangzhou Hengyun received a subpoena from the People’s Court of Huangpu District, Guangzhou Municipality regarding power purchase agreement disputes brought by Shenzhen Hengtai Energy & Electricity Sale Co., Ltd. (深圳市恒泰能源售電有限公司) with a disputed amount of approximately RMB100 million. As at the date of this Offering Circular, the said case is ongoing and the result is pending.

To the Group’s best knowledge, and except for the litigations disclosed above, neither the Group nor any of its senior management team members has involved in any litigation or arbitration proceedings as at the date of this Offering Circular that could have a material adverse effect on its business, financial condition and results of operations.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

DIRECTORS

The board of directors of the Group consists of six members, including the Chairman and five other Directors. The following table sets forth the Group's Directors as at the date of this Offering Circular:

<u>Name</u>	<u>Year of Birth</u>	<u>Position</u>
Guo Chuanzhou (郭川舟) . . .	1986	Chairman and Secretary of Party Committee
Wang Kaixiang (王凱翔)	1983	Director, General Manager and Deputy Secretary of Party Committee
Li Yunyan (李昀燕)	1980	Employee Director and Deputy Secretary of Party Committee
Xing Zhiqiang (邢志強)	1972	External Director
Sun Zhenping (孫振萍)	1966	External Director
Yang Shunxian (楊舜賢)	1966	Full-time External Director

Mr. Guo Chuanzhou joined the Group in August 2019 and is currently the Chairmen and the Secretary of Party Committee of the Group. Mr. Guo is also the chairman of Yue Kai Securities Co., Ltd (粵開證券股份有限公司), the chairman of Taisheng Wind Energy Group Co., Ltd (泰勝風能集團股份有限公司). Prior to joining the Group, Mr. Guo had served as director of Investment Promotion Department of Development Reform and Financing Work Bureau of Guangzhou Development District, director of Investment Promotion Department of Investment Promotion Bureau of Guangzhou Development District, President Assistant of Huafa City Operation Holdings Co., Ltd. (華發城市運營控股有限公司), assistant to the general manager of Guangzhou Development District Financial Holding Group Co., Ltd. (廣州開發區金融控股集團有限公司), and chairman and general manager of Guangzhou GET Capital Operation Co., Ltd. (廣州凱得資本運營有限公司), respectively. Mr. Guo holds a master's degree.

Mr. Wang Kaixiang joined the Group in January 2011 and is currently a Director, the General Manager and the Deputy Secretary of Party Committee of the Group. Mr. Wang also serves as the Chairman of Guangzhou Development High-Tech Zone Technology Holding Group Co., Ltd (廣州高新區科技控股集團有限公司). He previously served as the General Manager of Guangzhou High-tech Zone Technology Holding Group Co., Ltd., the General Manager assistant and the Deputy General Manager of the Group, the Chairman of Beijing Leadman, and the Deputy Party Secretary of Science City (Guangzhou) Investment Group Co., Ltd. (科學城(廣州)投資集團有限公司). Mr. Wang is an engineer with a master's degree.

Ms. Li Yunyan joined the Group in September 2017 and is currently an Employee Director and the Deputy Party Secretary of the Group. Ms. Li holds a master's degree.

Mr. Xing Zhiqiang is currently an External Director of the Group. Mr. Xing also holds positions in J&J Law Firm as a member of the executive committee, senior partner and Party Branch Secretary. Mr Xing is also among the first batch of experts admitted to the legal expert panel of the Guandong Province and a member of the "Legal Service

Professional Committee” of the Guangzhou Guangdong-Hong Kong-Macau Greater Bay Area Federation for Enterprise Compliance and Anti-Corruption. Mr. Xing is a lawyer and economist with a bachelor’s degree.

Ms. Sun Zhenping is currently an External Director of the Group. She is a senior auditor, certified public accountant, certified tax agent and international internal accountant. Ms. Sun holds a bachelor’s degree. She is currently the general manager, chief accountant and chairman of Guangdong Yuanrui Certified Public Accountants Co., Ltd (廣東源瑞會計師事務所).

Mr. Yang Shunxian joined the Group in January 2021 and is currently a Full-time External Director of the Group. Prior to joining the Group, Mr. Yang had served as the chief of the personnel secretary department of Guangzhou Development District International Trust and Investment Company (廣州開發區國際信託投資公司), a deputy general manager and director of Guangzhou GET Holdings Co., Ltd. (廣州凱得控股有限公司), a director and deputy general manager of Guangzhou Hengyun Enterprise Group Co., Ltd. (廣州恒運企業集團股份有限公司) and a member and full-time deputy secretary of the party committee of Guangzhou Development District Industrial Investment Fund Co., Ltd. (廣州開發區產業投資基金有限公司). Mr. Yang is a senior economist and senior political engineer with a doctoral degree.

SUPERVISORS

The Group abolished the board of supervisors as part of its amendment of the Article of Association, and the audit committee of the board of directors shall exercise the relevant powers thereafter. The relevant announcement was publicised by the Group on 11 August 2025.

SENIOR MANAGEMENT

The following table sets forth the Issuer’s senior management as at the date of this Offering Circular:

<u>Name</u>	<u>Year of Birth</u>	<u>Position</u>
Wang Kaixiang (王凱翔)	1983	Director General Manager and Deputy Secretary of Party Committee
Wang Yibiao (王毅鏞).	1973	Deputy General Manager and Chief Accountant
Liu Pengsheng (劉鵬生).	1973	Deputy General Manager

Mr. Wang Kaixiang is a Director, the General Manager and Deputy Secretary of Party Committee of the Group. For Mr. Wang’s biographical details, please see “— *Directors*” above.

Mr. Wang Yibiao is a Deputy General Manager and the Chief Accountant of the Group. Mr. Wang has joined the Group since October 1999 until now. He previously served as the convener of the Supervisory Board, and the deputy general manager and the general manager of the Strategic Development Department of Southern Science City Development

Co., Ltd. (南方科學城發展股份有限公司), and as the chief accountant of the Finance Department, and the deputy manager and the manager of Guangzhou Kaide Holdings Co., Ltd. (廣州凱得控股有限公司), respectively. Mr. Wang holds a bachelor's degree.

Mr. Liu Pengsheng is a Deputy General Manager of the Group. Mr. Liu joined the Group in March 2023. He previously served as the deputy general manager and a committee member of Guangzhou Development District Investment Group Co., Ltd. (廣州開發區投資集團有限公司). Mr. Liu is an economist and accountant with a bachelor's degree.

PRC REGULATIONS

This section is a high-level overview of the principal PRC laws and regulations which are relevant to the issue of the Bonds by the Issuer's business and operations. As this is a summary, it does not contain a detailed analysis of the PRC laws and regulations, nor does it intend to be an exhaustive list of all the principal laws and regulations affecting the Issuer.

THE PRC LEGAL SYSTEM

The PRC legal system is based on the PRC Constitution and is made up of written laws, regulations, directives and local laws and laws resulting from international treaties entered into by the PRC government. In general, court judgments do not constitute binding precedents. However, they are used for the purposes of judicial reference and guidance.

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

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

At the regional level, the provincial and municipal congresses and their respective standing committees may enact local rules and regulations and the people's governments may promulgate administrative rules and directives applicable to their own administrative areas. These local rules and regulations must be consistent with the PRC Constitution, the national laws and the administrative rules and regulations promulgated by the State Council.

The State Council, provincial and municipal governments may also enact or issue rules, regulations or directives in new areas of the law for experimental purposes or in order to enforce the law.

After gaining sufficient experience with experimental measures, the State Council may submit legislative proposals to be considered by the NPC or the Standing Committee of the NPC for enactment at the national level.

A party seeking to enforce a judgement or order of a court against a party who is not located within the PRC and does not own any property in the PRC may apply to a foreign court with proper jurisdiction for recognition and enforcement of the judgement or order. A foreign judgement or ruling may also be recognised and enforced by a court in accordance with the PRC enforcement procedures if the PRC has entered into, or acceded to, an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgement or ruling satisfies the court's examination in accordance with the principal of reciprocity, unless the court finds that the recognition or enforcement of such judgement or ruling will result in a violation of the basic legal principles of the PRC, its sovereignty or security, or for reasons of social and public interests.

PRC CURRENCY CONTROLS

Current Account Items

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

Prior to July 2009, all current account items were required to be settled in foreign currencies with limited exceptions. Following progressive reforms, Renminbi settlement of imports and exports of goods and of services and other current account items became permissible nationwide in 2012, except that the key enterprises on a Supervision List determined by the PBOC and five other relevant authorities would be subject to enhanced scrutiny when banks process current account cross-border repatriations.

On 5 July 2013, the PBOC promulgated the Circular on Policies related to Simplifying and Improving Cross-border Renminbi Business Procedures (關於簡化跨境人民幣業務流程和完善有關政策的通知) (the “**2013 PBOC Circular**”), which, in particular, simplifies the procedures for cross border Renminbi trade settlement under current account items. On 1 November 2014, PBOC introduced a cash pooling arrangement for qualified multinational enterprise group companies, under which a multinational enterprise group can process cross-border Renminbi payments and receipts for current account items on a collective basis for eligible member companies in the group. On 5 September 2015, PBOC promulgated the Circular on Further Facilitating the Cross-Border Bi-directional Renminbi Cash Pooling Business by Multinational Enterprise Groups (關於進一步便利跨國企業集團開展跨境雙向人民幣資金池業務的通知) (the “**2015 PBOC Circular**”), which, among others, have lowered the eligibility requirements for multinational enterprise groups and increased the cap for net cash inflow.

Capital Account Items

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

Until recently, settlement of capital account items, for example, the capital contribution of foreign investors to foreign invested enterprises in the PRC, were generally required to be made in foreign currencies. Under progressive reforms by PBOC, the Ministry of Commerce

of the PRC (“MOFCOM”) and the State Administration of Foreign Exchange of the PRC (“SAFE”), foreign investors are now permitted to make capital contribution, share transfer, profit allocation and liquidation and certain other transactions in Renminbi for their foreign direct investment within the PRC. Cross-border Renminbi payment infrastructure and trading facilities are being improved. Approval, registration and filing requirements for capital account payments in Renminbi are being removed gradually. In addition, the Circular on Reforming Foreign Exchange Capital Settlement for Foreign Invested Enterprises (關於改革外商投資企業外匯資本金結匯管理方式的通知) which became effective on 1 June 2015 and was amended on 30 December 2019 and 23 March 2023, allows foreign-invested enterprises to settle 100 per cent. (subject to future adjustment at discretion of SAFE) of the foreign currency capital (which has been processed through the SAFE’s equity interest confirmation procedure for capital contribution in cash or registered by a bank on the SAFE’s system for account-crediting for such capital contribution) into Renminbi according to their actual operational needs. A negative list with respect to the usage of the capital and the Renminbi proceeds through the aforementioned settlement procedure is set forth under the Circular. In particular, a foreign invested enterprise with investment as its main business is permitted to use such Renminbi proceeds to make equity contribution to its invested enterprises directly under certain conditions, without further filings with SAFE.

PRC entities are also permitted to borrow Renminbi-denominated loans from foreign lenders (which are referred to as “**foreign debt**”) and lend Renminbi-denominated loans to foreign borrowers (which are referred to as “**outbound loans**”), as long as such PRC entities have the necessary quota, approval or registration. PRC entities may also denominate security or guarantee arrangements in Renminbi and make payments thereunder to parties in the PRC as well as other jurisdictions (which is referred to as “**cross-border security**”). Under current rules promulgated by SAFE, foreign debts borrowed, outbound loans extended, and the cross-border security provided by a PRC onshore entity (including a financial institution) in Renminbi shall, in principle, be regulated under the current PRC foreign debt, outbound loan and cross-border security regimes applicable to foreign currencies. However, there remain potential inconsistencies between the provisions of the SAFE rules and the provisions of the 2013 PBOC Circular. It is not clear how regulators will deal with such inconsistencies in practice.

According to the 2015 PBOC Circular, qualified multinational enterprise groups can extend Renminbi- denominated loans to, or borrow Renminbi-denominated loans from, eligible offshore member entities within the same group by leveraging the cash pooling arrangements. The Renminbi funds will be placed in a special deposit account and may not be used to invest in stocks, financial derivatives, or non-self-use real estate assets, or purchase wealth management products or extend loans to enterprises outside the group.

Recent reforms introduced were aimed at controlling the remittance of Renminbi for payment of transactions categorised as capital account items. There is no assurance that the PRC government will continue to gradually liberalise the control over Renminbi payments of capital account item transactions in the future. The relevant regulations are relatively new and will be subject to interpretation and application by the relevant PRC authorities. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

SUMMARY OF CERTAIN DIFFERENCES BETWEEN PRC GAAP AND IFRS

The consolidated financial statements of the Issuer included in this Offering Circular were prepared and presented in accordance with PRC GAAP. PRC GAAP is substantially in line with IFRS, except for certain modifications between PRC GAAP and IFRS. The following is a general summary of certain differences between PRC GAAP and IFRS on recognition and presentation as applicable to the Issuer. The Issuer is responsible for preparing the summary below. Since the summary is not meant to be exhaustive, there is no assurance regarding the completeness of the financial information and related footnote disclosure between PRC GAAP and IFRS and no attempt has been made to quantify such differences. Had any such quantification or reconciliation been undertaken by the Issuer, other potentially significant accounting and disclosure differences may have been required that are not identified below. Additionally, no attempt has been made to identify possible future differences between PRC GAAP and IFRS as a result of prescribed changes in accounting standards. Regulatory bodies that promulgate PRC GAAP and IFRS have significant ongoing projects that could affect future comparisons or events that may occur in the future.

GOVERNMENT GRANT

Under PRC GAAP, the relocation compensation for public interests is required to be recognised as special payables. The income from compensation attributable to losses of fixed assets and intangible assets, related expenses, losses from production suspension incurred during the relocation and reconstruction period and purchases of assets after the relocation shall be transferred from special payables to deferred income and accounted for in accordance with the government grants standard. The surplus reached after deducting the amount transferred to deferred income shall be recognised in capital reserve.

Under IFRS, if an entity relocates for reasons of public interests, the compensation received shall be recognised in profit or loss.

REVERSAL OF AN IMPAIRMENT LOSS

Under PRC GAAP, once an impairment loss is recognised for a long term asset (including investment property valued under cost model, long-term equity investments, fixed assets, intangible assets and goodwill, etc.), it shall not be reversed in any subsequent period.

Under IFRS, an impairment loss recognised in prior periods for an asset other than goodwill could be reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount due to reversal should not be more than what the depreciated historical cost would have been if the impairment had not been recognised.

FIXED ASSETS AND INTANGIBLE ASSETS

Under PRC GAAP, only the cost model is allowed.

Under IFRS, an entity can choose either the cost model or the revaluation model as its accounting policy.

RELATED PARTY DISCLOSURES

Under PRC GAAP, only state-controlled without other related party relationship companies are not treated as related parties. Under IFRS, state-controlled companies are not treated as related parties.

TAXATION

The following summary of certain tax consequences of the purchase, ownership and disposition of the Bonds 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 Bonds and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Neither these statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any Bondholder or any persons acquiring, selling or otherwise dealing in the Bonds or on any tax implications arising from the acquisition, sale or other dealings in respect of the Bonds. Persons considering the purchase of the Bonds should consult their own tax advisors concerning the possible tax consequences of buying, holding or selling any Bonds under the laws of their country of citizenship, residence or domicile.

PRC

The following summary accurately describes the principal PRC tax consequences of ownership of the Bonds by beneficial owners who, or which, are not residents of China for PRC tax purposes. These beneficial owners are referred to as non-PRC Bondholders in this “Taxation — PRC” section. In considering whether to invest in the Bonds, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction.

Income Tax

Pursuant to the EIT Law, the IIT Law and the implementation regulations in relation to both the EIT Law and the IIT Law, PRC income tax at a rate of 10 per cent. or 20 per cent. is normally applicable to PRC-source income derived by non-resident enterprises or individuals, respectively, subject to adjustments under applicable tax treaties. As the Issuer is a PRC resident enterprise for tax purposes, interest paid to non-resident Bondholders may be regarded as PRC-sourced, and therefore be subject to PRC income tax at a rate of 10 per cent. for non-resident enterprise Bondholders and at a rate of 20 per cent. for non-resident individual Bondholders, unless any specific exemptions or any lower treaty rates apply.

Such income tax shall be withheld by the Issuer that is acting as the obligatory withholder and such PRC enterprise shall withhold the tax amount from each payment or payment due. To the extent that the PRC has entered into arrangements relating to the avoidance of double taxation with any jurisdiction, such as Hong Kong, that allow a lower rate of withholding tax, such lower rate may apply to qualified non-PRC resident enterprise Bondholders. Under the EIT Law and its implementation rules, any gains realised on the transfer of the Bonds by holders who are deemed under the EIT Law as non-resident enterprises may be subject to PRC enterprise in-come tax if such gains are regarded as income derived from sources within the PRC. Under the EIT Law, a “non-resident enterprise” means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained income derived from sources within the PRC. There remains uncertainty as to whether the gains realised on the transfer of the Bonds by enterprise

holders would be treated as incomes derived from sources within the PRC and be subject to PRC enterprise income tax. In addition, under the IIT Law, any individual who has no domicile and does not live within the territory of the PRC or who has no domicile but has lived within the territory of China for less than 183 days cumulatively within one tax year shall pay individual income tax for any income obtained within the PRC. There is uncertainty as to whether gains realised on the transfer of the Bonds by individual holders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains are subject to PRC income tax, the 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total income obtained from the transfer of the Bonds minus all costs and expenses that are permitted under PRC tax laws to be deducted from the income. According to the Arrangement, Bondholders who are Hong Kong residents, including both enterprise holders and individual holders, will be exempted from PRC income tax on capital gains derived from a sale or exchange of the Bonds if such capital gains are not connected with an office or establishment that the Bondholders have in the PRC and all the other relevant conditions are satisfied.

Value Added Tax

On 23 March 2016, MOF and SAT issued Circular 36, which was subsequently amended on 11 July 2017 and 20 March 2019, introducing a new VAT from 1 May 2016 for entities and individuals providing services within the PRC in certain industries. On 19 November 2017, the State Council promulgated the Decision on Abolishing the Provisional Regulations of the People's Republic of China on Business Tax and Revising the Provisional Regulations of the People's Republic of China on Value-added Tax (國務院關於廢止《中華人民共和國營業稅暫行條例》和修改《中華人民共和國增值稅暫行條例》的決定). On the same day, the State Council amended the Provisional Regulations of the People's Republic of China on Value-Added Tax (中華人民共和國增值稅暫行條例) (the “**Value-Added Tax Provisional Regulations**”), which was initially issued on 13 December 1993 and subsequently amended on 10 November 2008, 6 February 2016 and 19 November 2017. The Value-Added Tax Provisional Regulations further requires that the business tax shall be completely replaced by VAT where the entities or individuals provide services within the PRC. The operating income generated from the provision of taxable sale of services by entities and individuals, such as financial services, shall be subject to PRC VAT if the seller or buyer of the services is within PRC. In the event that foreign entities or individuals do not have a business establishment in the PRC, the purchaser of services shall act as the withholding agent. According to the Explanatory Notes to Sale of Services, Intangible Assets and Real Property attached to Circular 36, financial services refer to the business activities of financial and insurance operation, including loan processing services, financial services of direct charges, insurance services and the transfer of financial instruments, and the VAT rate is 6 per cent. Accordingly, the interest and other interest like earnings received by a non-PRC resident Bondholder from the Issuer and profits on the transfer of the Bond will be subject to PRC VAT at the rate of 6 per cent. The Issuer or the withholding agent will be obligated to withhold VAT of 6 per cent. for payments of interest and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals. However, there is uncertainty as to whether gains derived from a sale or exchange of Bonds consummated outside of the PRC between non-PRC resident Bondholders will be subject to PRC VAT. VAT is unlikely to be applicable to any transfer of Bonds between entities or individuals located outside of the PRC and therefore

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

However, despite the withholding of the PRC tax by the Issuer, the Issuer has agreed to pay additional amounts to holders of the Bonds so that holders of the Bonds would receive the full amount of the scheduled payment, as further set out in “*Terms and Conditions of the Bonds*”.

Stamp Duty

According to the PRC Stamp Duty Law promulgated by the SCNPC on 10 June 2021 and became effective on 1 July 2022, enterprises or individuals which receive any instruments specified in these rules within the territory of the PRC or to the extent that any such instruments have legally binding effect within the territory of the PRC and are protected under PRC laws shall be obliged to pay relevant stamp duties in accordance with the provisions therein. A taxpayer shall calculate the amount of stamp duty payable according to the nature of the taxable instruments. However, there can be no assurance that PRC laws will not be revised as to impose stamp duty upon the issuance or transfer of the Bonds or similar debt instrument. If the issuance or transfer of the Bonds is treated in the same way as the entering into of a loan contract or use of any other taxable instruments in the PRC, both the borrower and lender (i.e. the Issuer and investors purchasing the Bonds, respectively) in respect of the issuance of the Bonds would be each subject to PRC stamp duty of 0.005 per cent for issuance of bond, or any other rate applicable to the issuance or transfer of the Bonds (or such higher rate if local governments have other additional requirements). The Issuer undertakes that to the extent any PRC stamp duty is payable on initial issuance of the Bonds, it will bear such PRC stamp duty.

The taxation authority, in addition to ordering such person to pay the requisite amount of stamp duty, may impose a fine if a person subject to PRC stamp duty has failed to pay, or has paid an insufficient amount of stamp duty on a taxable instrument. Investors should further consult their own legal and tax advisors in relation to their PRC stamp duty obligations and liabilities in relation to any transfer of the Bonds.

HONG KONG

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Bonds or in respect of any capital gains arising from the sale of the Bonds.

Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest on the Bonds may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (i) interest on the Bonds is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong; or
- (ii) interest on the Bonds is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- (iii) interest on the Bonds is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong (the “**IRO**”)) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or
- (iv) interest on the Bonds is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of Bonds will be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO) from the sale, disposal or other redemption of Bonds will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of the Bonds will be subject to Hong Kong profits tax where received by or accrued to a person, other than a corporation, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source, unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Bonds are acquired and disposed of.

In addition, the Inland Revenue (Amendment) (Taxation on Specified Foreign-sourced Income) Ordinance 2022 of Hong Kong (the “**Amendment Ordinance**”) came into effect on 1 January 2023. Under the Amendment Ordinance, certain foreign-sourced interest on the Bonds accrued to an MNE entity (as defined in the Amendment Ordinance) carrying on a trade, profession or business in Hong Kong is regarded as arising in or derived from Hong Kong and subject to Hong Kong profits tax when it is received in Hong Kong. The Amendment Ordinance also provides for relief against double taxation in respect of certain foreign-sourced income and transitional matters.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisers to ascertain the applicability of any exemptions to their individual position.

Stamp Duty

No Hong Kong stamp duty will be chargeable upon the issue or transfer of the Bonds.

SUBSCRIPTION AND SALE

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Managers or any affiliate of the Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Managers or such affiliate on behalf of the Issuer in such jurisdiction.

The Issuer has entered into a subscription agreement with CLSA Limited, Guotai Junan Securities (Hong Kong) Limited and CNCB (Hong Kong) Capital Limited as joint global coordinators, joint bookrunners and joint lead managers, and Bank of China Limited, Singapore Branch, BOCOM International Securities Limited, CCB International Capital Limited, CEB International Capital Corporation Limited, China Industrial Securities International Brokerage Limited, China International Capital Corporation Hong Kong Securities Limited, China Securities (International) Corporate Finance Company Limited, CMB International Capital Limited, CMB Wing Lung Bank Limited, CMBC Securities Company Limited, Haitong International Securities Company Limited, Hua Xia Bank Co., Limited Hong Kong Branch, Huatai Financial Holdings (Hong Kong) Limited, Industrial Bank Co., Ltd. Hong Kong Branch, Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, Shenwan Hongyuan Securities (H.K.) Limited, SMBC Nikko Securities (Hong Kong) Limited and Zhongtai International Securities Limited as joint bookrunners and joint lead managers (the “**Managers**”) dated 24 November 2025 (the “**Subscription Agreement**”), pursuant to which and subject to certain conditions contained therein, the Issuer has agreed to sell to the Managers, which have severally agreed to subscribe for, or to procure subscribers to subscribe for, the Bonds at an issue price of 100.0 per cent. of their principal amount (the “**Issue Price**”) in the amount set forth below. Any subsequent offering of the Bonds to investors may be at a price different from such Issue Price:

	Principal amount of the Bonds to be subscribed <i>U.S.\$</i>
CLSA Limited	100,000,000
Guotai Junan Securities (Hong Kong) Limited.	100,000,000
CNCB (Hong Kong) Capital Limited	100,000,000
Bank of China Limited, Singapore Branch	11,800,000
BOCOM International Securities Limited	11,700,000
CCB International Capital Limited.	11,700,000
CEB International Capital Corporation Limited	11,700,000
China Industrial Securities International Brokerage Limited	11,700,000
China International Capital Corporation Hong Kong Securities Limited	11,700,000
China Securities (International) Corporate Finance Company Limited	11,700,000
CMB International Capital Limited	11,700,000
CMB Wing Lung Bank Limited	11,700,000
CMBC Securities Company Limited	11,700,000
Haitong International Securities Company Limited	11,700,000
Hua Xia Bank Co., Limited Hong Kong Branch	11,700,000

	Principal amount of the Bonds to be subscribed
	<i>U.S.\$</i>
Huatai Financial Holdings (Hong Kong) Limited	11,700,000
Industrial Bank Co., Ltd. Hong Kong Branch	11,700,000
Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch	11,700,000
Shenwan Hongyuan Securities (H.K.) Limited	11,700,000
SMBC Nikko Securities (Hong Kong) Limited	11,700,000
Zhongtai International Securities Limited	<u>1,000,000</u>
Total	<u>500,000,000</u>

The Subscription Agreement provides that the Managers and their respective subsidiaries, affiliates or any person who controls any of them, and their respective directors, officers, employees or agents will be indemnified against certain liabilities in connection with the offer and sale of the Bonds. The Subscription Agreement provides that the obligations of the Managers are subject to certain conditions precedent, and entitles the Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

In connection with the issue of the Bonds, any of the Managers appointed or any person acting on its capacity as a Stabilisation Manager or any person acting on behalf of the Stabilisation Manager may, to the extent permitted by applicable laws and directives, over-allot and effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail, but in doing so, the Stabilisation Manager or any person acting on behalf of the Stabilisation Manager shall act as principal and not as agent of the Issuer. However, there can be no assurance that the Stabilisation Manager or any person acting on behalf of the Stabilisation Manager will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the Bonds is made and, if begun, may be ended at any time, but must end after a limited period. Any loss or profit sustained as a consequence of any such over-allotment or stabilisation shall be for the account of the Stabilisation Manager. The Managers and certain of their respective subsidiaries or affiliates may perform certain investment banking and advisory services for, and enter into certain commercial banking transactions with the Issuer from time to time, for which they may receive customary fees and expenses. The Managers and their respective subsidiaries or affiliates may, from time to time, engage in transactions with and perform services for the Issuer in the ordinary course of business.

In connection with the offering of the Bonds, the Managers and/or their respective affiliate(s) may act as an investor for its own account and may take up Bonds in the offering and in that capacity may retain, purchase or sell for its own account such securities and any securities of the Issuer and may offer or sell such securities or other investments otherwise than in connection with the offering of the Bonds. Accordingly, references herein to the Bonds being “offered” should be read as including any offering of the Bonds to the Managers and/or their respective affiliates acting in such capacity. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any applicable legal or regulatory requirements.

The Managers or their respective affiliates may purchase the Bonds for its own account or for the accounts of their customers and enter into transactions, including credit derivative, such as asset swaps, repackaging and credit default swaps relating to the Bonds and/or other securities of the Issuer at the same time as the offer and sale of the Bonds or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Bonds to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of the Bonds). Should any of the foregoing transactions occur the trading price and liquidity of the Bonds may be impacted.

Furthermore, it is possible that a significant proportion of the Bonds may be initially allocated to, and subsequently held by, a limited number of investors. If this is the case, the trading price and liquidity of trading in the Bonds may be constrained. The Issuer and the Managers are under no obligation to disclose the extent of the distribution of the Bonds amongst individual investors, otherwise than in accordance with any applicable legal or regulatory requirements.

In the ordinary course of their various business activities, the Managers and their respective affiliates make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer, including the Bonds and could adversely affect the trading price and liquidity of the Bonds. The Managers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Bonds or the Issuer's other financial instruments, and may recommend to their clients that they acquire long and/or short positions in the Bonds or the Issuer's other financial instruments.

Important Notice to CMIs (including Private Banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Bonds. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the Managers accordingly.

CMIs are informed that the marketing and investor targeting strategy for this offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions set out elsewhere in this Offering Circular.

CMI should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMI should enquire with their investor clients regarding any orders which appear unusual or irregular. CMI should disclose the identities of all investors when submitting orders for the Bonds (except for omnibus orders where underlying investor information should be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMI should not place “X-orders” into the order book.

CMI should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMI (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMI (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the Bonds.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Managers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Bonds, private banks should disclose, at the same time, if such order is placed other than on a “principal” basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks that do not provide such disclosure are hereby deemed to be placing their order on such a “principal” basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private Banks should be aware that placing an order on a “principal” basis may require the Managers to apply the “proprietary orders” requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMI (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- the name of each underlying investor;
- a unique identification number for each investor;
- whether an underlying investor has any “Associations” (as used in the SFC Code);
- whether any underlying investor order is a “Proprietary Order” (as used in the SFC Code);
- whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to: projectget6@clsa.com, dcm.get@gtjas.com.hk and dcm@cncbinvestment.com.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to the OCs; (B) that they have obtained the necessary consents from the underlying investors to disclose such information to the OCs. By submitting an order and providing such information to the OCs, each CMI (including private bank) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The Managers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Manager(s) with such evidence within the timeline requested.

GENERAL

Each Manager has represented, warranted and undertaken to the Issuer that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Bonds or has in its possession or distributes this Offering Circular or any related offering material.

UNITED STATES

Each Manager has acknowledged that the Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Manager has represented, warranted and undertaken to the Issuer that it has not offered or sold, and will not offer or sell, any Bonds constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act and, accordingly, that neither it nor any of its affiliates (including any person acting on behalf of such Manager or any of its affiliates) has engaged or will engage in any directed selling efforts with respect to the Bonds.

Terms used in the paragraph above have the meanings given to them by Regulation S under the Securities Act.

UNITED KINGDOM

Each Manager has represented, warranted and undertaken that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Prohibition of sales to UK Retail Investors

Each Manager has represented, warranted and agreed that it has not made and will not make an offer of Bonds which are the subject of the offering contemplated by this Offering Circular to the public in the United Kingdom except that it may make an offer of such Bonds to the public in the United Kingdom:

- (a) if the final terms in relation to the Bonds specify that an offer of those Bonds may be made other than pursuant to section 86 of the FSMA (a “**Public Offer**”), following the date of publication of a prospectus in relation to such Bonds which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by final terms contemplating such Public Offer, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Public Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”);
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within section 86 of the FSMA, provided that no such offer of Bonds referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

For the purposes of this provision, the expression “**an offer of Bonds to the public**” in relation to any Bonds means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor

to decide to purchase or subscribe for the Bonds and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other Regulatory Restrictions

Each Manager has represented and agreed, that:

- (a) It has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer.
- (b) It has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Bonds in, from or otherwise involving the United Kingdom.

HONG KONG

Each Manager has represented, warranted and undertaken that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (“**SFO**”) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WMP)O**”) or which do not constitute an offer to the public within the meaning of the C(WMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

PRC

Each of the Managers has represented, warranted and undertaken that the Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by laws or regulations of the PRC.

SINGAPORE

Each Manager has acknowledged that this Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Manager has represented, warranted and agreed that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase and

will not offer or sell any Bonds or cause the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

JAPAN

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each Manager has represented, warranted and undertaken that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Bonds in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws, regulations and ministerial guidelines of Japan.

GENERAL INFORMATION

1. **Clearing Systems:** The Bonds have been accepted for clearance through Euroclear and Clearstream. The codes for the Bonds are as follows:

Common Code: 323990930

ISIN: XS3239909305

2. **Authorisations:** The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of its obligations under the Bonds, the Trust Deed and the Agency Agreement. The issue of the Bonds was authorised by board resolutions of the Issuer dated 26 February 2025 and shareholders' resolutions of the Issuer dated 25 April 2025.
3. **No Material and Adverse Change:** As at the date of this Offering Circular, there has been no material adverse change, or any development or event likely to involve a prospective change, in the condition (financial or other), prospects, properties, results of operations, business or general affairs of the Issuer, or the Group, which is material and adverse in the context of the issue and offering of the Bonds, since 31 December 2024.
4. **Available Documents:** Copies of the Trust Deed and the Agency Agreement will be available for inspection from the Issue Date, following prior written request and proof of holding and identity to the satisfaction of the Trustee or, as the case may be, the Principal Paying Agent, at the specified office of the Principal Paying Agent, or at the principal place of business of the Trustee (being at the date of this Offering Circular at 3/F, CCB Tower, 3 Connaught Road Central, Central, Hong Kong) at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays)), so long as any Bond is outstanding.
5. **Financial Statements:** The Issuer's 2023 Audited Consolidated Financial Statements, which are included elsewhere in this Offering Circular, have been audited by ShineWing as stated in its reports dated 26 April 2024.

The Issuer's 2024 Audited Consolidated Financial Statements, which are included elsewhere in this Offering Circular, have been audited by Grant Thornton as stated in its reports dated 20 May 2025.

The Issuer's Reviewed Interim Financial Statements, which are included elsewhere in this Offering Circular, have been reviewed by Grant Thornton as stated in its reports dated 29 August 2025.

6. **Listing of Bonds on the Hong Kong Stock Exchange:** An application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issues to Professional Investors only. It is expected that permission to deal in, and listing of, the Bonds on the Hong Kong Stock Exchange will commence on 1 December 2025.

- 7. Listing of Bonds on the Singapore Exchange Securities Trading Limited:** Application has been made to the SGX-ST for the listing of and quotation for the Bonds on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission of the Bonds to the Official List of the SGX-ST and quotation of the Bonds on the SGX-ST is not to be taken as an indication of the merits of, the Issuer, its subsidiaries, its associated companies or the Bonds. The Bonds will be traded on the SGX-ST in a minimum trading board lot size of S\$200,000 (or its equivalent in other currencies) for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require. For so long as any Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a paying agent in Singapore, where the Bonds may be presented or surrendered for payment or redemption, in the event that definitive certificates are issued for Bonds. In addition, in the event that definitive certificates are issued for Bonds, an announcement of such exchange will be made by the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of definitive certificates, including details of the paying agent in Singapore.
- 8. Legal Entity Identifier Number:** 300300QQG6PN8Y25MV22.

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Note:

- ⁽¹⁾ References to “Guangzhou Development District Holdings Group Co., Ltd.” in the Consolidated Financial Statements are to the Issuer.

**Guangzhou Development District Holding
Group Limited**

**Auditors' Review Report
On the Financial Information
For the period from January to June, 2025**

**Grant Thornton Zhitong
Certified Public Accountants LLP
Guangzhou Branch**

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Review Report

GTCNSZ (2025) No. 440A034128

To Guangzhou Development District Holding Group Limited:

We have reviewed the accompanying financial statements of Guangzhou Development District Holding Group Limited (the "Company"), which comprise the consolidated and company statements of financial position as at 30 June 2025, the consolidated and company statements of comprehensive income, consolidated and company statements of cash flows and consolidated and company statements of changes in equity for the period from January to June, 2025, and the notes to the consolidated financial statements. Management of the Company is responsible for the preparation and presentation of the financial statements. Our responsibility is to express a conclusion on the financial statements based on our review.

We conducted our review in accordance with the Review Standard for Chinese Certified Public Accountants No. 2101, Review of Financial Statements. The standard requires us to plan and conduct a review to obtain limited assurance about whether the financial statements are free from material misstatement. A review is limited primarily to inquiries of company personnel and performing analytical procedures on the financial data. A review provides substantially less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the consolidated and company financial statements are not prepared in accordance with the requirements of Accounting Standards for Business Enterprises and do not present fairly, in all material respects, the consolidated and company financial position as at June 30, 2025, and financial performance and cash flows for the period from January to June, 2025.

This review report is only for the internal management of the Company, and not for any other purpose. This paragraph does not affect the published review conclusion.

Grant Thornton Zhong
Certified Public Accountants LLP
Guangzhou Branch



Chinese Certified Public
Accountant:



Chinese Certified Public
Accountant:



Guangzhou, China

29 August 2025



Consolidated and Company Balance Sheets

As at 30 June 2025

Prepared by: Guangzhou Development District Holding Group Limited

Expressed in RMB

Item	Note	As at 30/6/2025		As at 31/12/2024	
		Consolidated	Company	Consolidated	Company
Current assets:					
Cash at bank and on hand	VIII. 1	25,088,643,725.76	8,799,227,042.19	19,411,986,399.90	5,216,888,087.27
Deposit reservation for balance	VIII. 2	1,430,020,744.88		1,500,895,373.35	
Lending to banks and other financial institutions					
Financial assets held for trading	VIII. 3	13,355,790,075.75	5,289,193,805.79	10,794,882,836.91	3,951,177,755.76
Derivative financial assets	VIII. 4	11,871.41		173,989.00	
Notes receivable	VIII. 5	263,802,370.29		336,243,994.56	
Accounts receivable	VIII. 6 XII. 1	4,034,453,792.38	31,976,031.17	4,329,092,098.02	15,927,826.58
Accounts receivable financing	VIII. 7	428,270,900.46		125,342,351.90	
Prepayments	VIII. 8	253,198,493.32	236,885.65	295,402,502.74	1,405,414.17
Insurance premiums receivable					
Cession premiums receivable					
Provision of cession receivable					
Centralized fund management receivables					
Other receivables	VIII. 9 XII. 2	8,062,841,705.74	30,064,760,438.73	9,423,650,760.26	34,222,691,029.12
Including: Dividends receivable		124,621,908.51	16,343,535.35	42,152,070.12	605,066,158.51
Financial assets purchased under resale agreements	VIII. 10	144,761,018.14		398,177,791.94	
Inventories	VIII. 11	17,640,861,242.74		16,518,780,919.93	
Including: Raw materials		896,586,872.58		697,733,728.77	
Finished goods		3,772,613,334.09		3,078,472,923.76	
Contract assets	VIII. 12	336,389,174.61		244,038,476.33	
Assets held for sale					
Non-current assets due within one year	VIII. 13	49,790,164.09		253,055,579.62	
Other current assets	VIII. 14	9,555,105,147.49		9,419,688,524.62	178.22
Total current assets		80,643,940,427.06	44,185,394,203.53	73,051,411,599.08	43,408,090,291.12
Non-current assets:					
Loans and payments on behalf					
Debt investments	VIII. 15	163,199,999.98		166,400,000.00	
Other debt investments	VIII. 16	5,772,364,916.93		6,501,639,018.63	
Long-term receivables	VIII. 17	648,431,376.48		406,201,654.81	
Long-term equity investments	VIII. 18 XII. 3	17,907,991,691.15	34,802,545,261.07	17,654,153,600.21	33,479,205,295.04
Other equity instruments investments	VIII. 19	3,477,099,414.36	489,907,368.43	3,440,488,847.72	489,907,368.43
Other non-current financial assets	VIII. 20	7,523,396,027.35	2,728,964,434.51	9,862,045,783.79	2,588,083,740.43
Investment properties	VIII. 21	23,214,136,948.76	2,748,774,020.11	17,409,873,957.68	2,749,520,900.00
Fixed assets	VIII. 22	15,002,270,902.53	17,979,505.86	12,110,386,424.85	18,560,084.38
Including: Cost		22,145,083,071.08	31,514,198.25	18,862,514,405.52	31,469,399.33
Accumulated depreciation		7,119,645,058.76	13,534,692.39	6,728,831,907.94	12,909,314.95
Provision for impairment		23,360,963.76		23,360,963.76	
Construction in progress	VIII. 23	1,726,174,317.34	988,034.86	8,676,427,727.85	988,034.86
Productive biological assets					
Oil and gas assets					
Right-of-use assets	VIII. 24	1,289,288,674.96	587,442,583.53	1,256,044,369.46	599,712,902.55
Intangible assets	VIII. 25	1,405,592,798.76	1,507,392.29	2,513,965,323.19	529,575.13
Development costs	VIII. 26	3,550,109.25		3,341,415.83	
Goodwill	VIII. 27	2,643,011,969.93		2,759,015,169.93	
Long-term deferred expenses	VIII. 28	199,103,762.50	4,457,206.63	232,828,897.52	5,943,021.49
Deferred tax assets	VIII. 29	1,465,230,023.46	9,332,565.55	1,427,183,024.58	64,617,497.47
Other non-current assets	VIII. 30	2,183,576,623.15	106,216,643.78	2,322,345,378.17	106,216,643.78
Including: Physical assets reserve specifically authorized					
Total non-current assets		84,624,419,556.89	41,498,115,016.62	86,742,340,594.22	40,103,285,063.56
Total assets		165,268,359,983.95	85,683,509,220.15	159,793,752,193.30	83,511,375,354.68

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:





Consolidated and Company Balance Sheets (continued)

As at 30 June 2025

Prepared by: Guangzhou Development District Holding Group Limited

Expressed in RMB

Item	Note	As at 30/6/2025		As at 31/12/2024	
		Consolidated	Company	Consolidated	Company
Current liabilities:					
Short-term loans	VIII. 31	10,437,269,810.92	6,695,769,334.88	11,326,966,638.61	6,983,380,707.64
Borrowings from central bank					
Borrowings from banks and other financial institutions					
Financial liabilities held for trading	VIII. 32	22,043,188.08	22,043,188.08	3,167,565.99	
Derivative financial liabilities	VIII. 33	32,292,691.55		33,115,304.41	
Notes payable	VIII. 34	2,015,200,433.32		1,970,282,215.02	
Accounts payable	VIII. 35	3,293,377,460.75	7,680,369.15	3,440,571,401.85	17,283,545.67
Advances from customers	VIII. 36	3,301,657.02		3,518,616.90	
Contract liabilities	VIII. 37	1,097,772,245.57	12,720.30	595,175,619.27	61,931.74
Disposal of repurchased financial assets	VIII. 38	3,862,835,949.11		4,146,863,295.17	
Taking deposits and interbank deposits					
Funds received as agent of stock exchange	VIII. 39	8,833,873,341.87		8,148,244,019.69	
Funds received as stock underwrite					
Employee benefits payable	VIII. 40	422,721,657.90	51,260,610.52	439,005,249.82	53,730,021.44
Including: Payroll payable	VIII. 40	410,883,984.44	49,201,972.16	424,301,151.66	52,471,227.03
Benefit payable	VIII. 40	46,011.48		8,710.58	
Taxes payable	VIII. 41	275,787,084.80	25,672,360.59	313,003,032.16	70,548,814.59
Including: Tax payable		274,003,010.56	24,867,359.27	308,711,058.29	67,875,448.51
Other payables	VIII. 42	2,894,678,904.09	510,584,674.64	3,527,650,795.83	626,475,389.37
Including: Dividends payable		237,288,437.27		104,470,037.89	
Liabilities held for sale					
Non-current liabilities due within one year	VIII. 43	13,086,443,931.67	9,132,694,138.12	16,964,593,320.73	10,972,105,444.25
Other current liabilities	VIII. 44	7,568,603,580.91	4,074,231,313.90	8,021,071,013.90	4,024,937,422.62
Total current liabilities		53,846,201,937.56	20,519,948,711.18	58,933,228,089.35	22,748,523,277.32
Non-current liabilities:					
Long-term loans	VIII. 45	27,612,073,702.64	12,576,085,000.00	21,602,899,017.13	8,093,821,000.00
Bonds payable	VIII. 46	37,428,077,168.51	29,685,488,521.40	29,630,302,290.18	25,875,663,446.24
Including: Preference shares					
Perpetual debts					
Lease liabilities	VIII. 47	1,195,978,518.38	662,046,371.94	1,112,684,053.18	653,195,255.31
Long-term payables	VIII. 48	1,690,330,787.80	1,005,184,095.55	1,612,154,530.57	1,001,951,065.18
Long-term employee benefits payable	VIII. 49	30,997,250.35	30,997,250.35	31,056,271.35	31,056,271.35
Provisions	VIII. 50	231,834,590.92		180,119,921.39	
Deferred income	VIII. 51	212,798,130.87	1,062,251.77	221,767,193.71	1,062,251.77
Deferred tax liabilities	VIII. 29	1,436,917,129.00	85,390,207.45	1,501,486,410.89	62,656,641.75
Other non-current liabilities	VIII. 52	404,809,858.25		403,536,940.45	
Including: Authorized reserve fund					
Total non-current liabilities		70,243,817,236.72	44,046,253,696.46	56,296,006,628.85	35,719,405,931.60
Total liabilities		124,090,019,174.28	64,566,202,409.64	115,229,234,718.20	58,467,929,208.92
Shareholders' equity:					
Paid-in capital	VIII. 53	11,591,344,372.81	11,591,344,372.81	11,484,950,284.14	11,484,950,284.14
State-owned capital		11,591,344,372.81	11,591,344,372.81	11,484,950,284.14	11,484,950,284.14
State-owned corporate capital					
Collective capital					
Private capital					
Foreign capital					
Net paid-in capital		11,591,344,372.81	11,591,344,372.81	11,484,950,284.14	11,484,950,284.14
Other equity instruments	VIII. 54	5,000,000,000.00	5,000,000,000.00	8,800,000,000.00	8,800,000,000.00
Including: Preference shares					
Perpetual debts		5,000,000,000.00	5,000,000,000.00	8,800,000,000.00	8,800,000,000.00
Capital reserve	VIII. 55	6,285,561,459.77	5,091,029,022.25	6,393,819,539.34	5,198,773,110.92
Less: treasury shares					
Other comprehensive income		410,140,940.84	324,350.04	423,596,678.37	-3,153,866.48
Including: Difference on translation of foreign currency statements		1,340,174.43		1,754,303.95	
Specific reserve	VIII. 56	2,278,861.99		2,021,580.72	
Surplus reserve					
Including: Statutory surplus reserve					
Other surplus reserve					
General risk reserve	VIII. 57	84,977,422.55		84,977,422.55	
Retained earnings	VIII. 58	-582,398,473.20	-565,390,934.59	-716,039,570.23	-437,123,382.82
Total equity attributable to shareholders of the Company		22,791,904,584.76	21,117,306,810.51	26,473,326,934.89	25,043,446,145.76
Non-controlling interests		18,386,436,224.91		18,091,190,540.21	
Total shareholders' equity		41,178,340,809.67	21,117,306,810.51	44,564,517,475.10	25,043,446,145.76
Total liabilities and shareholders' equity		165,268,359,983.95	85,683,509,220.15	159,793,752,193.30	83,511,375,354.68

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:





Consolidated and Company Income Statements

For the six-month period ended 30 June 2025

Prepared by: Guangzhou Development District Holding Group Limited

Expressed in RMB

Item	Note	Six-month period ended 30/6/2025		Six-month period ended 30/6/2024	
		Consolidated	Company	Consolidated	Company
I.Total operating income		5,974,388,908.02	131,533,502.44	5,196,277,110.48	146,420,534.53
Including: Operating income	VIII. 59 XII. 4	5,382,902,460.47	131,533,502.44	4,671,956,468.85	146,420,534.53
Interest income	VIII. 59 XII. 4	345,688,959.36		330,176,036.34	
Insurance premiums earned					
Handling charges and commissions income	VIII. 59 XII. 4	245,797,488.19		194,144,605.29	
II.Total operating costs		6,731,601,934.13	409,275,878.57	5,953,838,363.00	475,314,795.13
Including: Operating costs	VIII. 59 XII. 4	4,220,281,234.00	17,708,162.82	3,662,392,202.35	15,637,456.74
Interest expenses	VIII. 59 XII. 4	118,223,870.08		118,282,460.22	
Handling charges and commissions expenses	VIII. 59 XII. 4	73,033,043.44		42,504,714.76	
Refund of insurance premiums					
Net payments for insurance claims					
Net appropriation of deposit for duty					
Commissions on insurance policies					
Cession charges					
Taxes and surcharges		106,591,801.09	19,497,190.26	91,436,837.14	21,264,278.24
Selling and distribution expenses	VIII. 60	133,165,055.93		123,646,309.45	
General and administrative expenses	VIII. 61	733,846,986.93	42,803,222.46	700,295,674.93	38,198,744.76
Research and development expenses	VIII. 62	102,095,798.66		150,244,519.31	
Financial expenses	VIII. 63	1,244,454,144.00	329,267,303.03	1,065,035,644.84	400,014,313.39
Including: Interest expenses		1,412,097,900.66	1,064,868,633.89	1,349,995,133.99	1,189,655,966.08
Interest income		151,153,417.72	768,333,404.80	331,034,417.45	834,909,769.23
Foreign exchange net loss ("-" for net gain)		-23,730,124.26	-27,352,547.26	43,503,273.71	45,225,740.55
Others					
Add: Other income	VIII. 64	50,885,967.03	600,692.86	81,907,853.87	
Investment income ("-" for losses)	VIII. 65 XII. 5	1,432,552,888.03	352,661,500.46	951,924,998.63	91,510,314.98
Including: Income from investment in associates and joint ventures ("-" for losses)		321,945,618.09	5,234,594.58	188,724,219.06	-14,855,759.76
Gain from derecognition of financial assets measured at amortized cost ("-" for losses)					
Gain or loss on foreign exchange ("-" for losses)					
Net exposure hedging gains ("-" for losses)					
Gains from changes in fair value ("-" for losses)	VIII. 66	302,883,146.66	102,311,087.57	-868,621,832.45	-165,661,394.02
Credit impairment losses ("-" for losses)	VIII. 67	18,792,291.40		-30,135,313.33	15,021.66
Impairment losses ("-" for losses)	VIII. 68	-124,315,777.16		-211,776.83	
Gains from assets disposal ("-" for losses)	VIII. 69	-709,254.11		-489,739.65	-281,034.86
Operating profit ("-" for losses)		922,876,236.74	217,830,904.76	-623,187,662.28	-403,311,352.84
Add: Non-operating income	VIII. 70	13,587,195.44	140,041.09	9,913,539.64	741,226.16
Including: Government grants		2,988.64		891,526.47	590,500.00
Less: Non-operating expenses	VIII. 71	155,827,604.13		19,064,696.87	2,495,611.01
IV.Profit before income tax ("-" for losses)		780,635,832.05	217,970,945.85	-632,338,219.51	-405,865,737.69
Less: Income tax expenses	VIII. 72	103,352,315.90	78,018,497.62	-24,385,682.20	-1,628,242.25
V.Net profit for the period ("-" for losses)		677,283,516.15	139,952,448.23	-607,952,537.31	-403,437,495.44
(1) Classification according to attribute					
Including: Shareholders of the parent company ("-" for net loss)		401,860,097.03	139,952,448.23	-914,454,869.49	-403,437,495.44
Non-controlling interests ("-" for net loss)		275,423,416.12		306,502,432.18	
(2) Classification according to operation continuity					
Including: Net profit from continuing operations ("-" for net loss)		677,283,516.15	139,952,448.23	-607,952,537.31	-403,437,495.44
Net profit from discontinued operations ("-" for net loss)					
VI.Other comprehensive income, net of tax		-28,272,599.31	3,478,216.52	55,016,121.90	6,430,997.56
Other comprehensive income net of tax attributable to shareholders of the parent company	VIII. 73	-13,455,737.53	3,478,216.52	27,468,442.46	6,430,997.56
A.Items that will not be reclassified to profit or loss		1,830,230.57		-9,658,718.23	
a.Remeasurement of defined benefit plan liability or asset					
b.Share of other comprehensive income of the equity method investments		2,402,863.26			
c.Changes in fair value of other equity instrument investments		-572,632.69		-9,658,718.23	
d.Changes in fair value of enterprise's own credit risk					
e.Financial changes in insurance contracts that cannot be converted into profits or losses					
f.Others					
B. Items that may be reclassified to profit or loss		-15,285,968.10	3,478,216.52	37,127,160.69	6,430,997.56
a.Share of other comprehensive income of the equity method investments		1,759,572.96	3,478,216.52	7,354,215.60	6,430,997.56
b.Changes in fair value of other debt investments		-1,604,099.42		30,865,577.23	
c.Amount of financial assets reclassified into other comprehensive income					
d.Provision for credit impairment of other debt investments		-15,027,312.12		-329,162.34	
e.Cash flow hedging reserves (effective part of profit and loss of cash flow hedging)					
f.Translation differences arising from translation of foreign currency financial statements		-414,129.52		-763,469.80	
g.Financial changes in insurance contracts that can be transferred to profit or loss					
h.Financial changes in reinsurance ceded contracts with convertible gains and losses					
i.Others					
Other comprehensive income net of tax attributable to non-controlling interests		-14,816,861.78		27,547,679.44	
VII.Total comprehensive income for the period		649,010,916.84	143,430,664.75	-552,936,415.41	-397,006,497.88
Attributable to: Shareholders of the parent company		388,404,359.50	143,430,664.75	-885,986,527.03	-397,006,497.88
Non-controlling interests		260,606,557.34		334,050,111.62	

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:

4401121094915



Consolidated and Company Cash Flow Statements

For the six-month period ended 30 June 2025

Prepared by: Guangzhou Development District Holding Group Limited

Expressed in RMB

Item	Note	Six-month period ended 30/6/2025		Six-month period ended 30/6/2024	
		Consolidated	Company	Consolidated	Company
I. Cash flows from operating activities					
Proceeds from sales of goods or rendering of services		6,157,774,473.91	107,907,914.28	5,192,383,139.36	132,542,910.32
Net increase in deposits from customers and placements from bank					
Net increase in loan from central bank					
Net increase in funds borrowed from other financial institutions					
Net cash premiums received from original insurance contracts					
Net cash received from re-insurance business					
Net increase in deposits and investments from insurers					
Net increase of dispose of the financial assets measured at fair value and recorded into current profits and losses					
Interest, handling charges and commissions received		498,930,319.94		399,446,006.49	
Net increase in funds deposit				782,359,584.50	
Net increase in repurchase business funds		61,034,872.24		426,277,499.41	
Net cash received from agents buying or selling securities		715,569,885.66			
Refund of taxes		194,523,025.63	26,755.44	49,899,141.60	
Proceeds from other operating activities		542,050,805.59	44,536,508.87	532,971,164.84	87,084,263.02
Sub-total of cash inflows		8,169,883,382.97	152,471,178.59	7,383,336,536.20	219,627,173.34
Payment for goods and services		5,301,805,358.51	14,702,015.76	5,345,453,406.77	10,780,879.59
Net increase in loans and payments on behalf					
Net increase in deposits with central bank and interbank					
Payments of claims for original insurance contracts					
Net increase in the amount of lending to banks and other financial institutions		704,036,675.93			
Interests, handling charges and commissions paid		137,594,022.56		120,786,825.19	
Commissions on insurance policies paid					
Payment to and for employees		722,809,620.30	27,033,808.11	779,885,742.71	28,785,646.50
Payments of various taxes		510,513,910.35	95,682,094.26	492,805,897.57	68,813,941.04
Payment for other operating activities		609,729,928.46	14,757,860.87	1,054,100,116.99	18,718,185.52
Sub-total of cash outflows		7,986,489,516.11	152,175,779.00	7,793,031,989.23	127,098,652.65
Net cash flows from operating activities	VIII. 75 XII. 6	183,393,866.86	295,399.59	-409,695,453.03	92,528,520.69
II. Cash flows from investing activities					
Proceeds from disposal of investments		16,513,823,182.55	9,789,238,506.24	19,341,745,183.48	7,980,000,000.00
Investment income received		1,556,212,274.82	677,083,459.09	1,000,081,942.85	772,885,992.25
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets		643,762.64		7,646,036.39	
Net proceeds from disposal of subsidiaries and other business units		1,667,353.24			
Proceeds from other investing activities		2,498,788,133.13	6,721,863,590.37	759,356,564.19	8,161,710,756.17
Sub-total of cash inflows		20,571,134,706.38	17,188,185,555.70	21,108,829,726.91	16,914,596,748.42
Payment for acquisition of fixed assets, intangible assets and other long-term assets		1,760,076,983.41	2,924,723.02	5,537,563,538.23	13,851,430.60
Payment for acquisition of investments		16,989,258,130.05	11,885,057,715.84	16,348,011,754.23	7,594,506,728.21
Net increase in secured loans					
Net payment for acquisition of subsidiaries and other business units					
Payment for other investing activities		248,689,777.22	1,424,050,000.00	512,022,744.77	10,661,616,901.00
Sub-total of cash outflows		18,998,025,890.68	13,312,032,438.86	22,397,598,037.23	18,269,975,059.81
Net cash flows from investing activities		1,573,108,815.70	-3,876,153,116.84	-1,288,768,310.32	-1,355,378,311.39
III. Cash flows from financing activities					
Proceeds from investors		1,524,436,107.00	1,499,250,000.00	3,099,680,215.00	3,063,480,000.00
Including: Proceeds from non-controlling shareholders of subsidiaries		25,186,107.00		7,180,215.00	
Proceeds from borrowings		36,414,947,733.42	25,572,411,146.90	20,921,054,327.57	13,695,915,777.77
Proceeds from other financing activities		1,922,864,181.80	3,079,660,896.49	788,444,072.79	4,285,687,784.73
Sub-total of cash inflows		39,862,248,022.22	30,151,322,043.39	24,809,178,615.36	21,045,083,562.50
Repayments of borrowings		27,453,196,530.25	19,472,856,000.00	14,957,460,423.58	11,922,268,500.00
Payment for dividends, profit distributions or interest		1,703,895,625.30	1,198,944,785.27	2,153,988,588.03	1,390,470,150.20
Including: Dividends and profits paid to non-controlling shareholders of subsidiaries		82,276,905.36		71,884,101.32	
Payment for other financing activities		6,460,971,825.42	9,290,737,113.68	7,133,624,088.92	6,312,964,908.05
Sub-total of cash outflows		35,618,063,980.97	29,962,537,898.95	24,245,073,100.53	19,625,703,558.25
Net cash flows from financing activities		4,244,184,041.25	188,784,144.44	564,105,514.83	1,419,380,004.25
IV. Effect of foreign exchange rate changes on cash and cash equivalents					
		-3,533,333.80	-1,193,705.95	-1,919,892.96	-2,687,004.35
V. Net increase in cash and cash equivalents					
		5,997,153,390.01	4,064,038,954.92	-1,136,278,141.48	153,843,209.20
Add: Cash and cash equivalents at the beginning of the period		19,363,068,938.73	4,324,756,884.27	21,876,521,023.14	7,333,274,549.42
VI. Cash and cash equivalent at the end of the period					
		25,360,222,328.74	8,388,795,839.19	20,740,242,881.66	7,487,117,758.62





Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:



 4401121094915

Consolidated Statement of Changes in Equity

For the six-month period ended 30 June 2025

Expressed in RMB

Prepared by: Guangzhou Development District Holding Group Limited

Line number	Item	Six-month period ended 30/6/2025										Total	
		Attributable to shareholders' equity of the parent company											
		1	2	3	4	5	6	7	8	9	10		11
Shareholders' equity	Preference shares	Perpetual debts	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Retained earnings	Sub-total	Non-controlling interests	
I	Balance at the end of last year	11,484,950,284.14		8,800,000,000.00		6,393,819,539.34		2,021,580.72	84,977,422.55	-716,038,570.23	26,473,326,934.89	18,091,190,540.21	44,564,517,475.10
1	Add: Changes in accounting policies												
2	Correction of prior period errors												
3	Others												
II	Balance at the beginning of the year	11,484,950,284.14		8,800,000,000.00		6,393,819,539.34		2,021,580.72	84,977,422.55	-716,038,570.23	26,473,326,934.89	18,091,190,540.21	44,564,517,475.10
III	Changes in equity during the year ("-" for decrease)	106,394,088.67		-3,800,000,000.00		-108,258,079.57		257,281.27		133,640,097.03	-3,681,422,350.13	295,245,684.70	-3,386,176,666.43
4	(I) Total comprehensive income	106,394,088.67		-3,800,000,000.00		-108,258,079.57		257,281.27		133,640,097.03	-3,681,422,350.13	295,245,684.70	-3,386,176,666.43
5	(II) Shareholders' contributions and decrease of capital									401,860,097.03	388,404,358.50	260,606,557.34	649,010,916.84
6	1. Common shares by the shareholders												
7	2. Contribution by other equity instrument investors												
8	3. Equity settled share-based payments												
9	4. Others												
10	(III) Special reserve												
11	1. Appropriation during the year												
12	2. Utilisation during the year												
13	(IV) Appropriation of profits												
14	1. Appropriation for surplus reserves												
15	Including: Statutory surplus reserve												
16	Other surplus reserve												
17	2. Extraction of general risk reserve												
18	3. Distributions to shareholders												
19	4. Others												
20	(V) Transfer within equity												
21	1. Share capital increased by capital reserves transfer												
22	2. Share capital increased by surplus reserves transfer												
23	3. Transfer of surplus reserve to offset losses												
24	4. Changes in defined benefit plans carried forward to retained earnings												
25	5. Other comprehensive income carried forward to retained earnings												
26	6. Others												
IV	Balance at the end of the year	11,591,344,372.81		5,000,000,000.00		6,285,561,459.77		2,278,861.99	84,977,422.55	-582,398,473.20	22,791,904,584.76	18,386,436,224.91	41,178,340,809.67

Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:



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Consolidated Statement of Changes in Equity

For the six-month period ended 30 June 2025

Expressed in RMB

Line number	Item	Six-month period ended 30/6/2024										Total		
		Attributable to shareholders' equity of the parent company												
		15	16	17	18	19	20	21	22	23	24		25	26
Shareholders' equity	Preference shares	Other equity instruments	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Retained earnings	Sub-total	Non-controlling interests				
1	I. Balance at the end of last year	11,484,950,284.14		8,498,857,735.85		6,975,987,235.44		375,613,484.16		69,837,616.19	1,177,509,610.68	28,583,755,966.46	24,118,812,373.71	52,702,568,346.17
2	Add: Changes in accounting policies													
3	Correction of prior period errors													
4	Others													
5	II. Balance at the beginning of the year	11,484,950,284.14		8,498,857,735.85		6,975,987,235.44		375,613,484.16		69,837,616.19	1,177,509,610.68	28,583,755,966.46	24,118,812,373.71	52,702,568,346.17
6	III. Changes in equity during the year ("-" for decrease)			-698,857,735.85		117,668,650.05		27,468,442.46		-1,208,069,413.93	-1,761,790,057.27	-1,761,790,057.27	-3,655,118,214.38	-5,326,908,271.65
7	(I) Total comprehensive income			-698,857,735.85		117,668,650.05		27,468,442.46		-914,454,969.49	-886,986,527.03	-886,986,527.03	334,050,111.62	-552,936,415.41
8	(II) Shareholders' contributions and decrease of capital			-698,857,735.85		117,668,650.05						-581,189,095.80	-3,827,704,224.68	-4,408,893,310.48
9	1. Common shares by the shareholders												32,180,215.00	32,180,215.00
10	2. Contribution by other equity instrument investors													
11	3. Equity settled share-based payments													
12	4. Others													
13	(III) Special reserve													
14	1. Appropriation during the year													
15	2. Utilisation during the year													
16	(IV) Appropriation of profits													
17	1. Appropriation for surplus reserves													
18	Including: Statutory surplus reserve													
19	Other surplus reserve													
20	2. Extraction of general risk reserve													
21	3. Distributions to shareholders													
22	4. Others													
23	(V) Transfer within equity													
24	1. Share capital increased by capital reserves transfer													
25	2. Share capital increased by surplus reserves transfer													
26	3. Transfer of surplus reserve to offset losses													
27	4. Changes in defined benefit plans carried forward to retained earnings													
28	5. Other comprehensive income carried forward to retained earnings													
29	6. Others													
30	IV. Balance at the end of the year	11,484,950,284.14		7,800,000,000.00		7,093,655,885.49		404,061,926.62		69,837,616.19	-30,559,803.25	26,821,965,909.19	20,553,694,165.33	47,375,660,074.52

Legal representative:

[Signature]



The person in charge of accounting affairs:

[Signature]



The head of the accounting department:

[Signature]

Company Statement of Changes in Equity

For the six-month period ended 30 June 2025

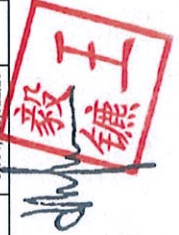
Expressed in RMB

Line number	Item	Column number	1	Other equity instruments		2	3		4	5	6	7	8	9	10	11	12
				Shareholders' equity	Preference shares		Perpetual debts	Others									
1	I. Balance at the end of last year		11,484,950,284.14				8,800,000,000.00			5,198,773,110.92		-3,153,866.48				-437,123,382.82	25,043,446,145.76
2	Add: Changes in accounting policies																
3	Correction of prior period errors																
4	Others																
5	II. Balance at the beginning of the year		11,484,950,284.14				8,800,000,000.00			5,198,773,110.92		-3,153,866.48				-437,123,382.82	25,043,446,145.76
6	III. Changes in equity during the year ("-" for decrease)		106,394,088.67				-3,800,000,000.00			-107,744,088.67		3,478,216.52				-128,267,551.77	-9,925,139,335.25
7	(I) Total comprehensive income											3,478,216.52				139,952,448.23	143,430,664.75
8	(II) Shareholders' contributions and decrease of capital									-1,350,000.00							-3,801,350,000.00
9	1. Common shares by the shareholders																
10	2. Contribution by other equity instrument investors									-1,350,000.00							-3,801,350,000.00
11	3. Equity settled share-based payments																
12	4. Others																
13	(III) Special reserve																
14	1. Appropriation during the year																
15	2. Utilisation during the year																
16	(IV) Appropriation of profits																
17	1. Appropriation for surplus reserves																
18	Including: Statutory surplus reserve																
19	Other surplus reserve																
20	2. Extraction of general risk reserve																
21	3. Distributions to shareholders																
22	4. Others																
23	(V) Transfer within equity		106,394,088.67							-106,394,088.67							
24	1. Share capital increased by capital reserves transfer																
25	2. Share capital increased by surplus reserves transfer		106,394,088.67							-106,394,088.67							
26	3. Transfer of surplus reserve to offset losses																
27	4. Changes in defined benefit plans carried forward to retained earnings																
28	5. Other comprehensive income carried forward to retained earnings																
29	6. Others																
30	IV. Balance at the end of the year		11,591,344,372.81				5,000,000,000.00			5,091,029,022.25		324,350.04				-565,390,934.59	21,117,306,810.51

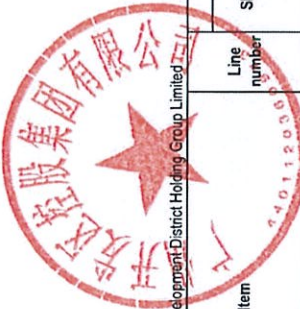
Legal representative:

The person in charge of accounting affairs:

The head of the accounting department:



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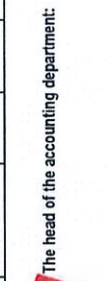
Company Statement of Changes in Equity

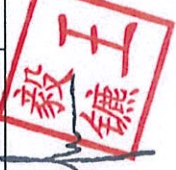
For the six-month period ended 30 June 2025


Expressed in RMB

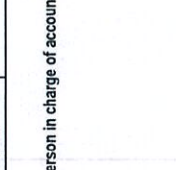
Line number	Item	Column number	Six-month period ended 30/6/2024						Total					
			Shareholders' equity	Preference shares	Perpetual debts	Others	Capital reserve	Less: treasury shares		Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Retained earnings
			13	14	15	16	17	18	19	20	21	22	23	24
1	I. Balance at the end of last year		11,484,950,284.14		8,498,557,735.85		5,140,899,987.07		-12,609,310.48				-217,315,736.16	24,894,482,960.42
2	Add: Changes in accounting policies													
3	Correction of prior period errors													
4	Others													
5	II. Balance at the beginning of the year		11,484,950,284.14		8,498,557,735.85		5,140,899,987.07		-12,609,310.48				-217,315,736.16	24,894,482,960.42
6	III. Changes in equity during the year ("-" for decrease)								6,430,997.56				-697,051,939.88	-831,390,459.98
7	(I) Total comprehensive income								6,430,997.56				-403,437,495.44	-397,006,497.88
8	(II) Shareholders' contributions and decrease of capital													-140,769,517.66
9	1. Common shares by the shareholders													565,980,000.00
10	2. Contribution by other equity instrument investors													-702,443,396.23
11	3. Equity settled share-based payments													
12	4. Others													-4,306,121.43
13	(III) Special reserve													
14	1. Appropriation during the year													
15	2. Utilisation during the year													
16	(IV) Appropriation of profits													
17	1. Appropriation for surplus reserves													
18	Including: Statutory surplus reserve													
19	Other surplus reserve													
20	2. Extraction of general risk reserve													
21	3. Distributions to shareholders													
22	4. Others													
23	(V) Transfer within equity													
24	1. Share capital increased by capital reserves transfer													
25	2. Share capital increased by surplus reserves transfer													
26	3. Transfer of surplus reserve to offset losses													
27	4. Changes in defined benefit plans carried forward to retained earnings													
28	5. Other comprehensive income carried forward to retained earnings													
29	6. Others													
30	IV. Balance at the end of the year		11,484,950,284.14		7,800,000,000.00		5,698,688,205.26		-6,178,312.92				-914,367,676.04	24,063,092,500.44

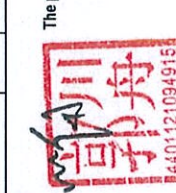
The person in charge of accounting affairs: 

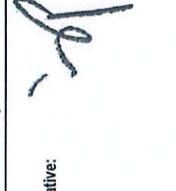
The head of the accounting department: 



The person in charge of accounting affairs: 



Legal representative: 



4401121094915

Notes to the Financial Statements

I. Company's profile

Guangzhou Development District Holding Group Limited (hereinafter referred to as "the Group", "the Company" or "Guangzhou Development District Holdings"), formerly known as Guangzhou GET Financial Holdings Co., Ltd., was invested by Guangzhou Economic and Technological Development Zone Management Committee and registered with Guangzhou Administration for Industry and Commerce on November 6, 1998 as a wholly state-owned holding company with limited liability. The business license registration number of the enterprise legal person obtained is 4401081100074 and was changed to 440108000039287 on April 12, 2011. On April 15, 2016, the unified social credit code was changed to 914401167124402906. The Company changed its name to Guangzhou Development District Holding Group Limited on January 6, 2021, pursuant to the Notice on the Change of Name of the Development District Financial Control Group and Adjustment of the Duties of the Capital Contributor (Suipu Finance [2020] No. 342) by Guangzhou Development District State-owned Assets Supervision and Administration. The registered capital of the Company is RMB 11,591,344,373 and the industry to which it belongs is business services.

Registered address: 33/F, 34/F, Development District Holding Center, No.60 Science Avenue, Guangzhou Economic and Technological Development Zone.

Legal representative: Guo Chuanzhou.

The functional management departments of the Company mainly consist of strategic development department (Board Office), party-masses work department, investment and capital operations department, human resources department, discipline inspection and audit office, finance and capital department, risk control and compliance department, property rights management department, investment promotion department and park department. The company owns 22 secondary subsidiaries, and 10 structured entities are included in the consolidation scope.

The Group has a board of directors and the general manager is responsible for the management and control of major decisions and daily work under the leadership of the board of directors.

The Group is principally engaged in the businesses of thermoelectric power investment, project construction and operation, real estate, finance and finance-like, biomedicine, high-end equipment manufacturing, construction and operation of technology parks. The Group is engaged in investment activities with its own funds, and provides services such as park management services, enterprise headquarters management, enterprise management consulting; non-residential real estate leasing, housing leasing, financing advisory services, securities investment consulting.

The controlling shareholder and the ultimate controller of the Company is the Guangzhou Development District Administrative Committee ("GDDAC").

The financial statements and the notes have been approved to release by the Company.

II. Basis of preparation

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and corresponding application guidance, interpretations and other related provisions

issued by the Ministry of Finance (collectively, "Accounting Standards for Business Enterprises").

The financial statements of the Company have been prepared on going concern basis.

During its operation, the Group also undertakes the operation and management of some non-operating assets. The Group accounts for its investment in such assets under other non-current assets and does not depreciate such assets.

III. Statement of compliance with the Accounting Standards for Business Enterprises

The financial statements have been prepared in compliance with the Accounting Standards for Business Enterprises to truly and completely present the Company's and consolidated financial position as at 30 June 2025 and the Company's and consolidated operating results and cash flows for the period from 1 January 2025 to 30 June 2025.

IV. Significant accounting policies and accounting estimates

1. Accounting Period

The accounting period of the Company is from 1 January to 31 December.

2. Functional currency

The Company use Chinese Yuan ("RMB") as functional currency.

3. Accounting basis and valuation principle

The Company adopts the accrual basis of accounting. Except for certain financial instruments, the financial statements are prepared under the historical cost convention. In the event that impairment of assets occurs, a loss allowance is made accordingly in accordance with the relevant regulations.

4. Business combination

(1) Business combinations involving enterprises under common control

For a business combination involving enterprises under common control, the assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets acquired and the consideration paid for the combination is adjusted against in the capital reserve, with any excess adjusted against retained earnings.

Costs directly attributable to the combination are recognized in income statement as incurred.

(2) Business combinations involving enterprises not under common control

For business combinations involving enterprises not under common control, the consideration costs include acquisition-date fair value of assets transferred, liabilities incurred or assumed and equity securities issued by the acquirer in exchange for control of the acquiree. At the acquisition date, the acquired assets, liabilities and contingent liabilities of the acquiree are measured at their fair value.

The overhead for the business combination, including the expenses for audit, legal services,

valuation advisory, and other administrative expenses, are recorded in profit or loss for the current period when incurred. The transaction costs of equity or debt securities issued as the considerations of business combination are included in the initial recognition amount of the equity or debt securities.

Where the combination cost exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill, and subsequently measured on the basis of its cost less accumulated impairment provisions. Where the combination cost is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised in profit or loss for the current period after reassessment.

For a business combination involving enterprises not under common control through step by step multiple transactions, the sum of the book value of the equity investment held by the acquiree before the purchase date and the new investment cost on the purchase date is taken as the initial investment cost of the investment in individual financial statements. For other comprehensive income recognized by equity investment held before the purchase date due to accounting with equity method, this part of other comprehensive income will not be treated on the purchase date. When disposing of the investment, the accounting treatment will be carried out on the same basis as the investee's direct disposal of relevant assets or liabilities. The owner's equity recognized due to changes in the owner's equity of the investee other than net profit and loss, other comprehensive income and profit distribution shall be transferred to the current profit and loss during the disposal period when the investment is disposed. If the equity investment held before the purchase date is measured at fair value, the cumulative changes in fair value originally included in other comprehensive income will be transferred to retained earnings when accounting by cost method. In consolidated financial statements, the consolidated cost is the sum of the consideration paid on the purchase date and the fair value on the purchase date of the equity held by the purchaser prior to the purchase date. For the equity held by the Purchaser before the purchase date, it shall be re-measured according to the fair value of the equity on the purchase date, and the difference between the fair value and the book value shall be recorded into the current income; The equity held by the Purchaser before the purchase date involves other comprehensive income, and other changes in owners' equity turn into current income on the purchase date, except for other comprehensive income generated by changes in net liabilities or net assets of the remeasured income plan of the investee.

5. Consolidated financial statements

The scope of the consolidated financial statements includes the Company and all subsidiaries.

The scope of the consolidated financial statements is based on control.

The consolidated financial statements are prepared by the Company based on the financial statements of the Company and its subsidiaries and other relevant information. When preparing consolidated financial statements, the accounting policies and accounting periods of the subsidiaries should be consistent with those established by the Company, and all significant intra-company balances and transactions are eliminated.

Where a subsidiary or business was acquired during the reporting period, through a business combination involving enterprises under common control, the financial statements of the subsidiary or business are included in the consolidated financial statements as if the combination had occurred at the date that the ultimate controlling party first obtained control.

The portion of a subsidiary's equity that is not attributable to the parent is treated as non-controlling interests and presented separately in the consolidated balance sheet within shareholders' equity. The portion of net profit or loss of subsidiaries for the period attributable to non-controlling interests is presented separately in the consolidated income statement below the "net profit" line item. When the amount of loss for the current period attributable to the non-controlling shareholders of a subsidiary exceeds the non-controlling shareholders' share of the opening owners' equity of the subsidiary, the excess is still allocated against the non-controlling interests.

Purchasing subsidiaries' non-controlling interests or disposing part of equity investment without loss of control shall be accounted for as equity transactions, and the carrying values of the owner's equity and minority shareholders' equity attributable to the parent shall be adjusted to reflect changes in interests in the subsidiary. The difference between the adjustment of minority interests and the fair value of the consideration paid or received shall be adjusted against the capital reserve, with any excess adjusted against retained earnings.

When the Company loses control over a subsidiary because of disposing part of equity investment or other reasons, the remaining part of the equity investment is re-measured at fair value at the date when the control is lost. A gain or loss is recognised in the current period and is calculated by the aggregate of consideration received in disposal and the fair value of remaining part of the equity investment deducting the share of net assets in proportion to previous shareholding percentage in the former subsidiary since acquisition date and the goodwill. Other comprehensive income related to the equity investment of the former subsidiary shall be transferred to current profit or loss at the time of loss of control.

Other comprehensive income related to the former subsidiary is transferred to profit or loss when the control is lost, except for the comprehensive income arising from the movement of net liabilities or assets in the former subsidiary's re-measurement of defined benefit plan.

Where the transactions involving the disposal of the equity investment in a subsidiary until the loss of control are bundled transaction, the difference between the disposal price and the share of the net assets of the subsidiary corresponding to the disposal investment before the loss of control is recognized as other comprehensive income in the consolidated financial statements and transferred to the profit or loss of the period in which control is lost.

6. Joint arrangement classification and accounting treatment for joint operation

A joint arrangement is an arrangement of which two or more parties have joint control. The Company classifies joint arrangements into joint ventures.

(1) Joint ventures

A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement.

The Company adopts equity method under long-term equity investment in accounting for its investment in joint venture.

7. Cash and cash equivalents

Cash comprises cash in hand and deposits that can be readily withdrawn on demand. Cash

equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

8. Foreign currency transactions and translation of foreign currency financial statements

(1) Foreign currency transactions

Foreign currency transactions are translated to the functional currency of the Company at the spot exchange rates on the dates of the transactions.

Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the balance sheet date. The resulting exchange differences between the spot exchange rate on balance sheet date and the spot exchange rate on initial recognition or on the previous balance sheet date are recognised in profit or loss. Non-monetary items that are measured at historical cost in foreign currencies are translated to Renminbi using the exchange rate at the transaction date. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rate at the date the fair value is determined. The resulting exchange differences are recognised in profit or loss or other comprehensive income according to the nature of non-monetary items.

(2) Translation of foreign currency financial statements

When translating the foreign currency financial statements of overseas subsidiaries, assets and liabilities of foreign operation are translated to Renminbi at the spot exchange rate at the balance sheet date. Equity items, excluding "retained earnings", are translated to Renminbi at the spot exchange rates at the transaction dates.

Income and expenses of foreign operation are translated to RMB at the weighted average exchange rates of the current period.

Cash flow statement of foreign operation is translated to Renminbi at the spot exchange rates at the cash flow occurrence dates. Effect of foreign exchange rate changes on cash and cash equivalents is presented separately as "Effect of foreign exchange rate changes on cash and cash equivalents" in the cash flow statement.

The resulting translation differences are recognised in other comprehensive income in shareholders' equity of balance sheet.

The translation differences accumulated in shareholders' equity with respect to a foreign operation are transferred to profit or loss in the period when the foreign operation is disposed.

9. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or an equity instrument of another enterprise.

(1) Recognition and derecognition of financial instruments

A financial asset or a financial liability is recognized when the Company becomes a party to the contractual provisions of a financial instrument.

If one of the following criteria is met, a financial asset is derecognised:

- ① The contractual rights to the cash flows from the financial asset expire; or
- ② The financial asset was transferred, and the transfer qualifies for derecognition in accordance with criteria set out below in "Transfer of financial assets".

A financial liability (or part of it) is derecognized when its contractual obligation (or part of it) is discharged or cancelled or expires. If the Company (as a debtor) makes an agreement with the creditor to replace the current financial liability with assuming a new financial liability, and contractual provisions are different in substance, the current financial liability is derecognized and a new financial liability is recognized.

If the financial assets are traded regularly, the financial assets are recognized and derecognized at the transaction date.

(2) Classification and measurement of financial assets

The Company classifies financial assets as measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss at initial recognition on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

The Company classifies the financial assets that meet the following conditions and are not designated as measured at fair value through profit or loss as financial assets measured at amortized cost:

- The Company's business model of managing the financial assets aims at collecting contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After the initial recognition, the effective interest rate method is adopted to measure the amortized cost of such financial assets. Gains or losses arising from financial assets that are measured at amortized cost and are not part of any hedging relationship shall be recorded in the current profit or loss when the financial assets are derecognized, amortized according to the effective interest method or impaired.

Financial assets measured at fair value through other comprehensive income

The Company classifies the financial assets that simultaneously meet the following conditions and are not specified as measured at fair value through profit or loss as financial assets measured at fair value through other comprehensive income:

- The Company's business model of managing the financial asset aims at both collecting contractual cash flows and selling the financial assets.

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After the initial recognition, this type of financial assets are subsequently measured at fair value. The interest, loss allowance or gain and exchange loss or gain calculated using the effective interest rate method are included in the current profit or loss, while other gains or losses are included in other comprehensive income. When derecognized, the accumulated gains or losses previously recorded in other comprehensive income shall be transferred out from other comprehensive income and recorded in the current profit or loss.

Financial assets measured at fair value through profit or loss

In addition to the above financial assets measured at amortized cost and measured at fair value through other comprehensive income, the Company classifies all other financial assets as financial assets measured at fair value through profit or loss. At the time of initial recognition, in order to eliminate or significantly reduce accounting mismatches, the Company irrevocably designates some financial assets that should have been measured at amortized cost or measured at fair value through other comprehensive income as financial assets measured at fair value through profit or loss.

After the initial recognition, this kind of financial asset is subsequently measured at fair value, and the gains or losses (including interest and dividend income) generated are recorded into the current profit or loss, unless the financial asset is part of the hedging relationship.

The business model of managing financial assets refers to how the Company manages financial assets to generate cash flows. The business model determines whether the cash flow from the financial assets under management of the Company is derived from the receipt of contractual cash flows, the sale of financial assets or a combination of both. The Company determines its business model for managing financial assets on the basis of objective facts and the specific business objectives for the management of financial assets determined by key management personnel.

The Company assesses the contractual cash flow characteristics of financial assets to determine whether the contractual cash flows generated by the relevant financial assets on specified dates are solely payments of principal and interest on the principal amount outstanding. Principal refers to the fair value of financial assets at initial recognition. Interest includes consideration for the time value of money, the credit risk associated with the amount of principal outstanding over a given period, and other basic lending risks and costs, as well as a profit margin. In addition, the Company assesses contractual terms that may cause a change in the time distribution or amount of the contractual cash flows of financial assets to determine whether they meet the requirements of the above contractual cash flow characteristics.

Only when the Company changes the business model of managing financial assets, all affected related financial assets shall be reclassified on the first day of the first reporting period after the change of the business model, otherwise the financial assets shall not be reclassified after the initial recognition.

Financial assets are measured at fair value at initial recognition. For financial assets measured at fair value through profit or loss, the related transaction costs are directly recorded in current profit or loss; for other types of financial assets, related transaction costs are included in the initial recognition amount. For receivables arising from the sale of products or the provision of services that do not

contain or take into account significant financing components, the amount of consideration that the Company is expected to be entitled to collect shall be the initial recognition amount.

(3) Classification and measurement of financial liabilities

At the time of initial recognition, the financial liabilities of the Company are classified as: financial liabilities measured at fair value through profit or loss, and financial liabilities measured at amortized cost. For financial liabilities that are not classified as measured at fair value through profit or loss, relevant transaction costs are included in their initial recognized amounts.

Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated at the time of initial recognition as measured at fair value through profit or loss. For such financial liabilities, the subsequent measurement shall be made according to the fair value, and the gains or losses caused by changes in the fair value as well as the dividends and interest expenses related to such financial liabilities shall be recorded into current profit or loss.

Financial liabilities measured at amortized cost

For other financial liabilities, the effective interest rate method shall be adopted, the subsequent measurement shall be made at the amortized cost, and the gains or losses arising from derecognition or amortization shall be recorded into current profit or loss.

The distinction between financial liabilities and equity instruments

Financial liabilities refer to liabilities that meet one of the following conditions:

- ① A contractual obligation to deliver cash or other financial assets to other parties.
- ② A contractual obligation to exchange financial assets or financial liabilities with another party under potentially adverse conditions.
- ③ A non-derivative contract that has to be settled with or can be settled with the firm's own equity instruments in the future, under which the firm will deliver a variable number of its own equity instruments.
- ④ A derivative contract that has to be settled with or can be settled with the firm's own equity instruments in the future, except for a derivative contract in which a fixed number of its own equity instruments are to be exchanged for a fixed amount of cash or other financial assets.

An equity instrument is a contract that certifies ownership of the remaining interest in an enterprise's assets after all liabilities have been deducted.

If the Company cannot unconditionally avoid fulfilling a contractual obligation by delivering cash or other financial assets, such contractual obligation meets the definition of a financial liability.

If a financial instrument has to be settled with or can be settled with the Company's own equity instruments in the future, consideration needs to be given to whether the Company's own equity

instruments used to settle the instrument is to be used as a substitute for cash or other financial assets, or to give the holder of the instrument the remaining interest in the issuer's assets after deduction of all liabilities. If it is the former, the instrument is a financial liability of the Company; if it is the latter, the instrument is an equity instrument of the Company.

(4) Derivative financial instruments and embedded derivative instruments

The Company's derivative financial instruments are initially measured based on the fair value of the date of signing the derivative transaction contract, and the subsequent measurement is based on its fair value. A derivative with a positive fair value is recognised as an asset; a negative fair value is recognized as a liability. Any gains or losses resulting from changes in fair value that do not conform to the provisions of hedge accounting shall be directly recorded into the current profit or loss.

(5) Fair value of financial instruments

For the determination of fair value of financial assets and financial liabilities, see Note IV.31.

(6) Impairment of financial assets

On the basis of expected credit losses, the Company conducts impairment accounting treatment for the following items and recognises the allowance:

- Financial assets measured at amortized cost;
- Receivables and investments in debt instruments measured at fair value and accounted for in other comprehensive income;
- Contract assets as defined in the Accounting Standards for Business Enterprises No. 14 - Revenue;
- Lease receivables;
- Financial guarantee contracts (except for financial assets measured at fair value through profit or loss, transfer of financial assets that do not meet the conditions for derecognition or those caused by continuing involvement in transferred financial assets).

Measurement of expected credit losses

The term "expected credit loss" refers to the weighted average of the credit loss of a financial instrument weighted by the risk of default. Credit loss refers to the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, that is, the present value of all cash shortfalls.

The Company calculates the probabilistic weighted amount of the present value of the difference between the cash flows receivable under the contract and the cash flows expected to be received and recognizes the expected credit loss, taking into account reasonable and supportable information concerning past events, current conditions and forecast of future economic conditions, with the respective risks of a default occurring as the weights.

The Company separately measures the expected credit losses of financial instruments at different

stages. If the credit risk of the financial instrument has not increased significantly since the initial recognition, the financial instrument is in the first stage and the Company shall measure the loss allowance at an amount equal to 12-month expected credit losses; if the credit risk of the financial instrument has increased significantly since the initial recognition but no credit losses have occurred, the financial instrument is in the second stage and the Company shall measure the loss allowance at an amount equal to lifetime expected credit losses; if credit losses have occurred to a financial instrument since its initial recognition, it is in the third stage and the Company shall measure the loss allowance at an amount equal to lifetime expected credit losses.

For financial instruments with low credit risk at the balance sheet date, the Company assumes that the credit risk has not increased significantly since the initial recognition, and measures the loss allowance at an amount equal to 12-month expected credit losses.

The term "lifetime expected credit losses" refers to the expected credit losses resulting from all possible events of default during the entire expected life of a financial instrument. The expected credit losses within the next 12 months refer to the expected credit loss caused by the default event of the financial instrument that may occur within 12 months after the balance sheet date (or the expected duration of the financial instrument if the expected duration of the financial instrument is less than 12 months) and is part of lifetime expected credit losses.

When measuring expected credit losses, the Company shall take into account the longest contract period (including the option to renew the contract) for which it is exposed to credit risk.

The Company calculates interest income on the basis of the Book value before impairment provisions and the effective interest rate for financial instruments in stage I and stage II and with lower credit risk. For financial instruments in the third stage, the interest income is calculated on the basis of the amortized cost of the Book value less the impairment provision and the effective interest rate.

Bills receivable, accounts receivable and contract assets

For bills receivable, accounts receivable and contract assets, regardless of whether there is a material financing component, the Company always measures its loss allowance at an amount equal to lifetime expected credit losses.

When the credit risk characteristics are significantly different and the expected credit loss can be evaluated at a reasonable cost, the Company assesses whether the credit risk of the relevant financial instrument has significantly increased since initial recognition based on a single financial instrument, and measures the expected credit loss.

When an individual financial asset or contract asset cannot assess the information of expected credit loss at a reasonable cost, the Company divides the bills receivable, accounts receivable and contract assets into groups according to the credit risk characteristics, calculates the expected credit losses based on the groups which are determined as follows:

A. Bills receivable

- Bills receivable group 1: bank notes receivable portfolio
- Bills receivable group 2: commercial notes receivable portfolio

B. Accounts receivables

- Accounts receivable group 1: non-risk accounts portfolio
- Accounts receivable group 2: other accounts receivable portfolio

Among them, the non-risk accounts receivable portfolio includes:

Reimbursements receivable (provision for warranty indemnity is made in accordance with industry regulations and there is no provision for impairment), government arrears, staff reserves, deposits, bonds, related transactions, electrical bill receivables, etc.

C. Accounting treatment

The Group calculates the expected credit loss on bills receivable and accounts receivable at the balance sheet date. If the expected credit loss is greater than the current book balance of the provision for impairment of bills receivable or accounts receivable, the Group recognizes the difference as an impairment loss on bills receivable or impairment loss on accounts receivable, debiting "credit impairment loss" and crediting "loss allowance". Conversely, the Group recognizes the difference as an impairment gain and makes the opposite accounting entry.

The Group incurs credit losses in practice and identifies the related notes or accounts receivable are irrecoverable, after approval, their value could be written off. Based on the approved write-off amount, the Group debits "loss allowance" and credits "bills receivable", "accounts receivable" and "other receivables". If the write-off amount is greater than the provision amount made, their difference shall be debited to "credit impairment loss".

An assessment of a significant increase in credit risk

By comparing the risk of default of financial instruments on the balance sheet date with the risk of default on the initial recognition date, the Company determines the relative change of default risk within the expected duration of financial instruments, so as to evaluate whether the credit risk of financial instruments has significantly increased since the initial recognition.

In determining whether credit risk has increased significantly since the initial recognition, the Company considers reasonable and supportable information, including forward-looking information that can be obtained without unnecessary additional cost or effort. Information considered by the Company includes:

- The debtor fails to pay the principal and interest as due under the contract;
- A material deterioration, if any, of the external or internal credit rating of the financial instrument that has occurred or is expected to occur;
- A serious deterioration of the debtor's business results occurred or is expected to occur;
- A change in the existing or anticipated technological, market, economic or legal environment which will have a material adverse effect on the debtor's ability to repay the Company.

According to the nature of financial instruments, the Company evaluates whether credit risk increases significantly on the basis of individual financial instruments or a group of financial

instruments. When assessing on the basis of a group of financial instruments, the Company may classify financial instruments based on common credit risk characteristics, such as overdue information and credit risk rating.

If overdue for more than 30 days, the Company determines that the credit risk of the financial instrument has increased significantly.

Credit-impaired financial assets

On the balance sheet date, the Company evaluates whether credit impairment has occurred in financial assets measured at amortized cost and debt investments measured at fair value through other comprehensive income. When one or more events which have an adverse effect on the expected future cash flows of a financial asset occur, the financial asset becomes a credit-impaired financial asset. Evidence of credit impairment of financial assets includes the following observable information:

- Major financial difficulties occur to the issuer or the debtor;
- A breach of contract by the debtor, such as a default or late payment of interest or principal;
- The Company, for economic or contractual considerations relating to the debtor's financial difficulties, gives concessions that the debtor would not have made under any other circumstances;
- The debtor is likely to go bankrupt or undergo other financial restructuring;
- The financial difficulties of the issuer or debtor result in the disappearance of an active market for the financial asset.

Presentation of expected credit losses

In order to reflect the change of the credit risk of financial instruments since the initial recognition, the Company re-measures the expected credit losses on each balance sheet date, and the increase or recovered amount of the loss allowance thus formed shall be recorded into the current profit or loss as an loss allowance or gain. For a financial asset measured at amortized cost, the loss allowance shall offset the carrying amount of the financial asset as stated in the balance sheet; for the debt investment measured at fair value through other comprehensive income, the Company recognizes its loss allowance in other comprehensive income and does not offset the carrying amount of the financial asset.

Write-offs

If the Company no longer reasonably expects that the contractual cash flows of a financial asset can be recovered in its entirety or a portion thereof, the carrying amount of the financial asset shall be directly written off. Such a write-off constitutes a derecognition of the relevant financial asset. This usually occurs when the Company determines that the debtor does not have assets or sources of income that generate sufficient cash flows to repay the amount to be written off. However, in accordance with the Company's procedures for recovering amounts due, the financial assets that have been written off may still be affected by the execution activities.

If a financial asset that has been written off is recovered later, a reversal of loss allowance shall be recorded in profit or loss of the current period.

(7) Transfer of financial assets

Transfer of financial assets refers to the transfer or delivery of financial assets to another party other than the issuer of the financial assets (transferor).

The Company derecognizes a financial asset if it has transferred substantially all the risks and rewards of ownership of the financial asset to the transferee, and it does not derecognize the financial asset if it has retained substantially all the risks and rewards of ownership of the financial asset.

When neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, the Group shall derecognize the financial asset and recognize the resulting assets and liabilities if it has relinquished control over the financial asset, and shall recognize the related financial asset to the extent of its continuing involvement in the transferred financial asset and recognize the related liabilities accordingly if it has not relinquished control over the financial asset.

(8) Offsetting between financial assets and financial liabilities

When the Company has a legal right to offset the recognized financial assets and financial liabilities and such legal right is currently enforceable, and at the same time the Company plans to settle on a net basis or to realize the financial assets and settle the financial liabilities, financial assets and financial liabilities are presented as the net amount after mutual offset in the balance sheet. Otherwise, financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other.

10. Inventories

(1) Classification

Inventories include raw materials, semi-finished goods, work in progress, finished goods, consumables and so on.

(2) Measurement and amortization of cost of inventories

The Company maintains a perpetual inventory system. Inventories are initially measured at cost. Inventories related to non-medical devices segment are calculated using weighted average method, and which related to medical devices segment are calculated using first-in-first-out method. Low-value consumables and packaging materials are charged to profit or loss when they are used.

The cost of development products includes land-transferring fees, infrastructure expenditure, construction and installation expenditure, and borrowing costs incurred before the completion of the development project and other related expenses during the development process. When a developed product is shipped, specific identification method is adopted to determine its actual cost.

(3) Method for provision for obsolete inventories

Any excess of the cost over the net realisable value of inventories is recognised as a provision for obsolete inventories, and is recognised in profit or loss. The Company usually recognises provision for decline in value of inventories by a single and type inventory item. If the factors caused the value

of inventory previously written-down have disappeared, the provision for decline in value of inventories previously made is reversed.

(4) Basis for determining the net realisable value

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes.

The net realizable value of inventories, such as finished goods, work in process and materials used for sale, which are used directly for sale, is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale and relevant taxes. The net realizable value of inventories of materials held for production is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes.

11. Long-term equity investments

Long-term equity investments include equity investments in enterprises over which the Company can exercise control or has significant influence, and equity investments in joint ventures. An associate is an enterprise over which the Company has significant influence.

(1) Determination of initial investment cost

The initial cost of a long-term equity investment acquired through a business combination involving enterprises under common control is the Company's share of the carrying amount of the subsidiary's equity in the consolidated financial statements of the ultimate controlling party at the combination date. For a long-term equity investment obtained through a business combination not involving enterprises under common control, the initial cost is the combination cost. For business combinations involving enterprises not under common control through multiple transactions, the cost of a long-term equity investment is the book value of the equity investment held previously together with the additional investment cost on the purchase date.

A long-term equity investment acquired other than through a business combination: A long-term equity investment acquired other than through a business combination is initially recognised at the amount of cash paid if the Company acquires the investment by cash, or at the fair value of the equity securities issued if an investment is acquired by issuing equity securities.

(2) Subsequent measurement and recognition of profit or loss

Long-term equity investments in enterprises over which the Company can exercise control are accounted for using the cost method. An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement.

For a long-term equity investment which is accounted for using the cost method, Except for cash dividends or profit distributions declared but not yet distributed that have been included in the price or consideration paid in obtaining the investments, the Company recognises its share of the cash dividends or profit distributions declared by the investee as investment income for the current period.

For a long-term equity investment which is accounted for using the equity method, where the initial cost of a long-term equity investment exceeds the Company's interest in the fair value of the

investee's identifiable net assets at the date of acquisition, the investment is initially recognised at cost. Where the initial investment cost is less than the Company's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the investor's share of the fair value of the investee's identifiable net assets, and the difference is recognised in profit or loss.

Under the equity method, the Company recognises its share of the investee's profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by the amount attributable to the Company. Changes in the Company's share of the investee's owners' equity, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution (referred to as "other changes in owners' equity"), is recognised directly in the Company's equity, and the carrying amount of the investment is adjusted accordingly. In calculating its share of the investee's net profits or losses, other comprehensive income and other changes in owners' equity, the Company recognises investment income and other comprehensive income after making appropriate adjustments to align the accounting policies or accounting periods with those of the Company based on the fair value of the investee's identifiable net assets at the date of acquisition.

When the Company becomes capable of exercising joint control or significant influence (but not control) over an investee due to additional investment or other reasons, the Company uses the fair value of the previously-held equity investment, together with additional investment cost, as the initial investment cost under the equity method. The difference between the fair value and carrying amount of the previously-held equity investment, and the accumulated changes in fair value included in other comprehensive income, shall be transferred to profit or loss for the current period upon commencement of the equity method.

Unrealised profits and losses resulting from transactions between the Company and its associates or joint ventures are eliminated to the extent of the Company's interest in the associates or joint ventures. Unrealised losses resulting from transactions between the Company and its associates or joint ventures are eliminated in the same way as unrealised gains but only to the extent that there is no impairment.

(3) Criteria for determining the existence of joint control or significant influence over an investee

Control exists when the Company has power over the investee; exposure, or rights to variable returns from its involvement with the investee; and has the ability to affect its returns through its power over the investee. A subsidiary is an entity that is controlled by the Company (such as enterprises, a portion of an investee as a deemed separate component and structured entities controlled by the enterprises).

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. When assessing whether the Company can exercise joint control over an investee, the Company first considers whether no single participant party is in a position to control the investee's related activities unilaterally, and then considers whether strategic decisions relating to the investee's related activities require the unanimous consent of all participant parties that sharing of control. All the parties, or a group of the parties, control the arrangement collectively when they must act together

to direct the relevant activities. When more than one combination of the parties can control an arrangement collectively, joint control does not exist. A party that holds only protective rights does not have joint control of the arrangement.

Significant influence is the power to participate in the financial and operating policy decisions of an investee but does not have control or joint control over those policies. When determining whether the Company can exercise significant influence over an investee, the effect of potential voting rights (for example, warrants, share options and convertible bonds) held by the Company or other parties that are currently exercisable or convertible shall be considered.

When the Company, directly or indirectly through subsidiaries, owns 20% of the investee (including 20%) or more but less than 50% of the voting shares, it has significant influence over the investee unless there is clear evidence to show that in this case the Company cannot participate in the production and business decisions of the investee, and cannot form a significant influence. When the Company owns less than 20% of the voting shares, generally it does not have significant influence over the investee, unless there is clear evidence to show that in this case the Company can participate in the production and business decisions of the investee so as to form a significant influence.

(4) Disposal of long-term equity investments

At disposal, the difference between the carrying amount and the sales proceed of the long-term equity investment is recorded in profit or loss for the current period. Under equity method, other changes of the shareholders' equity (other than change in net profit or loss) of the investee, the Company shall transfer to profit or loss for the current period by proportion when the investment is disposed.

When the Company can no longer exercise joint control of or significant influence over an investee due to partial disposal of the equity investment or other reasons, the remaining equity investment shall be accounting for using Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, and the difference between the fair value and the carrying amount of the remaining equity investment shall be charged to profit or loss for the current period at the date of the loss of joint control or significant influence. Any other comprehensive income previously recognised under the equity method shall be accounted for on the same basis as would have been required if the Company had directly disposed of the related assets or liabilities for the current period upon discontinuation of the equity method. Other movement of owner's equity related to original equity investment is transferred to profit or loss for the current period.

When the Company can no longer exercise control over an investee due to partial disposal of the equity investment or other reasons, and the remaining equity after disposal can exercise joint control of or significant influence over an investee, the remaining equity is adjusted as using equity method from acquisition. When the remaining equity can no longer exercise joint control of or significant influence over an investee, the remaining equity investment shall be accounted for using Accounting Standard for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments, and the difference between the fair value and the carrying amount of the remaining equity investment shall be charged to profit or loss for the current period at the date of loss of control.

When the Company can no longer exercise control over an investee due to new capital injection by other investors, and the Company can exercise joint control of or significant influence over an

investee, the Company recognizes its share of the investee's new added net assets using new shareholding percentage. The difference between its new share of the investee's new added net assets and its decreased shareholding percentage of the original investment is recognized in profit or loss. And the Company adjusts to the equity method using the new shareholding percentage as if it uses the equity method since it obtains the investment.

(5) Method of impairment testing and impairment provision

For investments in subsidiaries, associates and joint ventures, refer to Note IV.20 for the Company's method of asset impairment.

12. Investment property

Investment properties are properties held either to earn rental income or for capital appreciation or for both. The Company's investment properties include leased land use rights, land use right held and provided for to transfer after appreciation and leased building and construction. In addition, vacant buildings held by the Group for operating lease are also presented as investment properties, if the Board of Directors (or similar institution) makes a written resolution stating that the buildings will be used for operating lease and the intention of holding will not change in the near future.

The Company's real estate investment real estate location is active trading market, and the Company can obtain from real estate market the same or similar real estate market prices and other related information, so that the Company can make a reasonable estimate of the fair value of the investment real estate, so the Company adopts the fair value model for subsequent measurement of the investment real estate, changes in fair value included in the current profits and losses.

When determining the fair value of an investment real estate, reference shall be made to the current market price of the same or similar real estate in the active market; If it is impossible to obtain the current market price of the same or similar real estate, it shall make a reasonable estimate of the fair value of the investment real estate by referring to the recent transaction price of the same or similar real estate in the active market and taking into account such factors as the transaction situation, transaction date and location; Or determine its fair value based on the expected future rental income and the present value of the relevant cash flows.

When self-use real estate or inventories are converted to investment properties, the investment properties are measured at their fair value on the conversion date. If the fair value is less than its original book balance, the difference is recognized in current profit or loss. If the fair value is greater than the original book balance, the difference is recognized in other comprehensive income. When investment properties are converted to self-use real estate, the fair value on the conversion date is used as the book value of the self-use properties, and the difference between the fair value and the original book value is recognized in current profit or loss.

Gains or losses arising from the sale, transfer, retirement or disposal of an item of investment property are determined as the difference among the net disposal proceeds, the carrying amount of the item, related taxes and surcharges, and are recognised in profit or loss for current period.

13. Fixed assets

(1) Recognition of fixed assets

Fixed assets represent the tangible assets held by the Company for use in production of goods, use in supply of services, rental or for administrative purposes with useful lives over one accounting year.

Fixed assets are only recognised when its related economic benefits are likely to flow to the Company and its cost can be reliably measured.

Fixed asset are initially measured at cost.

(2) Depreciation of fixed assets

The cost of a fixed asset is depreciated using the straight-line method since the state of intended use, unless the fixed asset is classified as held for sale. Not considering impairment provision, the estimated useful lives, residual value rates and depreciation rates of each class of fixed assets are as follows:

Type	Estimated useful life (years)	Residual value rate %	Depreciation rate %
Plant and buildings	20-50	0-10	3.60-4.00
Machinery and equipment	3-25	2-10	3.60-33.33
Motor vehicles	4-8	3-10	11.25-25.00
Electronic equipment	5-8	3-5	11.875-24.26
Office equipment	5	5	19.00
Hotel furniture	5-6	2-10	19.00
Others	5-6	2-10	15.00-19.60

For impaired fixed assets, cumulative amount of impairment provision is deducted in determinatingf the depreciation rate.

(3) For the impairment of the fixed assets, please refer to Note IV.20.

(4) Useful lives, estimated residual values and depreciation methods are reviewed at least at each year-end.

The Company adjusts the useful lives of fixed assets if their expected useful lives are different with the original estimates and adjusts the estimated net residual values if they are different from the original estimates.

(5) Major repair cost

The major repair cost incurred in regular inspection of fixed assets are included in the cost of fixed assets when it meets the criterias for the recognition of fixed assets based on the verified evidences, while those that do not meet the criterias for the recognition of fixed assets shall be recorded in current profit or loss. The fixed assets shall be depreciated during regular major repairs.

14. Construction in progress

Construction in progress is recognized based on the actual construction cost, including all expenditures incurred for construction items, capitalised borrowing costs and any other costs directly attributable to bringing the asset to working condition for its intended use.

Construction in progress is transferred to fixed asset when it is ready for its intended use.

For the impairment of construction in progress, please refer to Note !V.20.

15. Borrowing costs

(1) Capitalisation criteria

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalised as part of the cost of that asset. Other borrowing costs are expensed in profit or loss as incurred. The capitalisation of borrowing costs shall commence only when the following criteria are met:

① Capital expenditures have been incurred, including expenditures that have resulted in payment of cash, transfer of other assets or the assumption of interest-bearing liabilities;

② Borrowing costs have been incurred;

③ The activities that are necessary to prepare the asset for its intended use or sale have commenced.

(2) Capitalisation period

The capitalisation of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use, the borrowing costs incurred thereafter are recognised in profit or loss for the current period.

Capitalisation of borrowing costs is suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

16. Right-of-use assets

(1) Criteria for the recognition of right-of-use assets

The Company's right-of-use assets refer to the Company's right to use the leased assets during the lease term as the lessee.

On the commencement date, the right-of-use assets shall be initially measured at cost. The cost includes: the initial measurement of the lease liability; for the amount of lease payments paid on or before the commencement date of the lease term, if there is a lease incentive, the relevant amount of lease incentive already enjoyed will be deducted; initial direct costs incurred by the Company as the lessee; the costs which the Company, as the lessee, expects to incur in dismantling and removing the leased assets, restoring the premises on which the leased assets are located or restoring the leased assets to the state agreed in the lease terms. The Company, as the lessee, shall recognise

and measure the costs of demolition and restoration in accordance with the "Accounting Standards for Business Enterprises No.13 – Contingencies". Subsequent adjustments are made for any remeasurement of lease liabilities.

(2) Depreciation method of the right-of-use assets

The Company uses the straight line method of depreciation. Where the Company, as the lessee, can reasonably determine that it obtains the ownership of the leased assets upon expiration of the lease term, depreciation shall be accrued over the remaining useful life of the leased assets. Where it is impossible to reasonably determine that the ownership of the leased asset can be acquired at the expiration of the lease term, depreciation shall be accrued in the shorter period between the lease term and the remaining useful life of the leased asset.

(3) See Note IV.20 for the impairment test method of the right-of-use assets and the loss allowance.

17. Intangible assets

Intangible assets include application software, land use rights, and patented technology etc.

Intangible assets are stated at actual cost upon acquisition and the useful economic lives are determined at the point of acquisition. When the useful life is finite, amortisation method shall reflect the pattern in which the asset's economic benefits are expected to be realised. If the pattern cannot be determined reliably, the straight-line method shall be used. An intangible asset with an indefinite useful life shall not be amortised.

Land use rights are amortized evenly over the years from the commencement date of the grant; patented technologies, non-patented technologies and other intangible assets are amortized evenly over the shortest of the estimated useful life, the contractual beneficiary life and the effective life prescribed by law. The amortization amount is charged to the cost of the related assets and current profit or loss according to the beneficiaries.

The Company shall review the useful life and amortisation method of an intangible asset with a finite useful life at least at each year end. Changes of useful life and amortisation method shall be accounted for as a change in accounting estimate.

An intangible asset shall be derecognised in profit or loss when it is not expected to generate future economic benefits.

For the impairment of intangible assets, please refer to Note IV.20.

18. Research and development expenditure

Expenditure on an internal research and development project is classified into expenditure incurred during the research phase and expenditure incurred during the development phase.

Expenditure during the research phase is expensed when incurred.

Expenditure during the development phase is capitalised if the product or process is technically and commercially feasible; the Company intends to complete the development; the intangible asset can generate economic benefits, including there is evidence that the products produced using the intangible asset has a market or the intangible asset itself has a market; if the intangible asset is for

internal use, there is evidence that there is usage for the intangible asset; there is sufficient support in terms of technology, financial resources and other resources in order to complete the development and use or sell the intangible asset; and development costs can be measured reliably. Other development expenditure is recognised as an expense in the period in which it is incurred.

Research and development projects of the Company will enter into the development phase when they meet the above conditions, technical and economic feasibility research is finished and necessary approval of the project is obtained.

Capitalised expenditure on the development phase is presented as "development costs" in the balance sheet, and is transferred to intangible assets when the project is completed to its intended use.

19. Long-term deferred expenses

Long-term deferred expenses include capital improvement expenditure, renovation costs, etc.

Long-term deferred expenses are recorded at the actual cost, and amortized using a straight-line method within the benefit period. For long-term deferred expense that cannot bring benefit in future period, the Company recognized its amortised cost in profit or loss for the current period.

Years of amortization:

Item	Estimated useful life
Capacity substitution compensation	The remaining useful life of the unit
Other long-term deferred expenses	3-5years

20. Impairment of assets

The impairment of long-term equity investments in subsidiaries, associates and joint ventures, investment properties measured using a cost model, fixed assets, construction in progress, right-of-use assets, intangible assets, goodwill (Excluding inventories, investment property measured using a fair value model, deferred tax assets and financial assets) is determined as follows:

At each balance sheet date, the Company determines whether there is any indication of impairment. If any indication exists, the recoverable amount of the asset is estimated. In addition, the Company estimates the recoverable amounts of goodwill, intangible assets with indefinite useful lives and intangible assets not ready for use at each year-end, irrespective of whether there is any indication of impairment.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its present value of expected future cash flows. The recoverable amount is estimated for each individual asset. If it is not possible to estimate the recoverable amount of each individual asset, the Company determines the recoverable amount for the asset group to which the asset belongs. An asset group is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups.

A loss allowance is recognised in profit or loss when the recoverable amount of an asset is less than its carrying amount. A loss allowance of the asset is recognised accordingly.

For goodwill impairment test, the carrying amount of goodwill arising from a business combination is allocated reasonably to the relevant asset group since the acquisition date. If the carrying amount of goodwill is unable to be allocated to asset group, the carrying amount of goodwill will be allocated to asset portfolio. Asset group or portfolio of asset group is asset group or portfolio of asset group which can be benefit from synergies of a business combination and is not greater than the reportable segment of the Company.

In impairment testing, if impairment indication exists in asset group or portfolio of asset group containing allocated goodwill, impairment test is first conducted for asset group or portfolio of asset group that does not contain goodwill, and corresponding recoverable amount is estimated and any loss allowance is recognized. Then impairment test is conducted for asset group or portfolio of asset group containing goodwill by comparing its carrying amount and its recoverable amount. If the recoverable amount is less than the carrying amount, loss allowance of goodwill is recognized.

Once a loss allowance is recognised, it is not reversed in a subsequent period.

21 Employee benefits

(1) Scope of employee benefits

Employee benefits refer to all forms of consideration or compensation given by the Company in exchange for service rendered by employees or for the termination of employment relationship. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits. Benefits provided to the Company's spouse, children, dependents, family members of deceased employees or other beneficiaries are also part of the employee benefits.

(2) Short-term employee benefits

In the current period, the Company has accrued for the actual wages, bonuses, medical insurance for employees based on standard rate, work injury insurance and maternity insurance and other social insurance and housing fund incurred and these are recognised as liabilities and corresponding costs in the profit or loss.

(3) Post-employment benefits

Post-employment benefit plan includes defined contribution plans and defined benefit plans. Defined contribution plans are post-employment benefit plans under which an enterprise pays fixed contributions into a separate fund and will have no future obligations to pay the contributions. Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Defined contribution plans

Defined contribution plans include basic pension insurance, unemployment insurance and corporate pension plan, etc.

Besides basic pension insurance, the Company establishes the corporate pension plan ("pension plan") in accordance with the related policies of corporate pension regulations. Employees can join the pension plan voluntarily. The Company has no other significant commitment of employees' social security.

When an employee has rendered service to an entity during a period, the entity shall recognise the contribution payable to a defined contribution plan in exchange for that service, with a corresponding charge to the profit or loss for the current period or the cost of a relevant asset.

Defined benefit plans

For defined benefit plans, an actuarial valuation is performed by an independent actuary at the annual balance sheet date to determine the cost of providing benefits using the expected cumulative benefit unit method. The employee compensation costs resulting from the defined benefit plan include the following components:

- ① Service cost, including current service cost, past service cost and settlement gains or losses. Current service cost refers to the increase in the present value of the defined benefit plan obligation caused by the service provided by the employee in the current period; Past service cost refers to the increase or decrease in the present value of defined benefit plan obligations related to employee services in previous periods resulting from modifications to defined benefit plans.
- ② Net interest on net liabilities or net assets of the defined benefit plan, including interest income on plan assets, interest expense on defined benefit plan obligations, and interest affected by asset caps.
- ③ Changes resulting from the remeasurement of net liabilities or net assets of defined benefit plans.

Unless other accounting standards require or allow the cost of employee benefits to be included in the cost of assets, the Company will recognize items ① and ② above in the profit and loss for the current period; Item ③ is included in other comprehensive income and will not be carried back to profit or loss in subsequent accounting periods, but can be transferred within equity.

(4) Termination benefits

The Company provides for termination benefits to the employees and shall recognise an employee benefits liability for termination benefits, with a corresponding charge to the profit or loss for the current period, at the earlier of the following dates: When the Company cannot unilaterally withdraw the offer of the termination benefits because of an employment termination plan or a redundancy proposal; or when the Company recognises the costs or expenses relating to a restructuring that involves the payment of the termination benefits.

For retirement plans within the Company and economic compensation before the formal retirement date attributable to termination benefits, the salaries to pay retirement within the Company and social securities are recognized as a one-off expense in profit or loss for the current period between the employees' stop rendering service and formal retirement date. Economic compensation after formal retirement date (such as formal endowment insurance) shall be accounted for as post-employment benefits.

(5) Other long-term employee benefits

Other long-term employee benefits provided by the Company to the employees satisfied the conditions for classifying as a defined contribution plan; those benefits shall be accounted for in

accordance with the above requirements relating to defined contribution plan. When the benefits satisfied a defined benefit plan, it shall be accounted for in accordance with the above requirements relating to defined benefit plan, but the movement of net liabilities or assets in re-measurement of defined defined benefit plan shall be recorded in profit or loss for the current period or cost of relevant assets.

22. Bonds payable

The bonds issued by the Company are initially measured at fair value in the amount after deducting transaction cost, and using effective rate to carry out the Subsequent measurement in amortized cost.

Interest expense is counted in the current profit and loss, unless loan costs are capitalized when capitalized conditions are met.

23. Provisions

A provision is recognised for an obligation related to a contingency if all the following conditions are satisfied:

- (1) The Company has a present obligation;
- (2) It is probable that an outflow of economic benefits will be required to settle the obligation; and
- (3) The amount of the obligation can be estimated reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. The Company reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

If all or part of the expenditure necessary for settling the provision is expected to be compensated by a third party, the amount of compensation is separately recognized as an asset when it is basically certain to be received. The recognized compensation amount shall not exceed the carrying amount of the provision.

24. General risk reserves

Subsidiary of the Group, Yuekai Securities Co., Ltd., and Guangzhou Get Financing & Guarantee Co., Ltd., made provisions at 10% of the net profit in the current year for general risk reserves and transaction risk reserves respectively.

25. Revenue

(1) General principles

The Company recognizes revenue when it has fulfilled its contractual performance obligation, that is, when the customer acquires control of the relevant goods or services.

If the contract contains two or more performance obligations, the Company shall, on the commencement date of the contract, allocate the transaction price to each single performance obligation according to the relative proportion of the stand-alone selling prices of goods or services committed by each single performance obligation, and measure the income according to the transaction price allocated to each single performance obligation.

If one of the following conditions is met, the Company satisfies a performance obligation over time; otherwise, the Company satisfies a performance obligation at a point in time:

- ① The customer simultaneously receives and consumes the economic benefits provided by the Company's performance as the Company performs.
- ② The customer can control the goods under construction during the performance of the Company.
- ③ The goods produced by the Company during the performance of the contract do not have alternative use, and the Company has the right to collect payment for the accumulated part of the performance completed to date during the whole period of the contract.

For the performance obligations performed over time, the Company shall recognize the income in accordance with the performance progress within that period. If the performance progress cannot be reasonably determined and the Company is expected to be compensated for the costs already incurred, the revenue shall be recognized according to the amount of the costs already incurred until the performance progress can be reasonably determined.

For performance obligations performed at a point in time, the Company recognizes revenue at the point when the customer acquires control of the relevant goods or services. In determining whether a customer has acquired control of goods or services, the Company will take into account the following indicators:

- ① The Company has a present right to payment for the good or service, that is, the customer is presently obliged to pay for the good or service.
- ② The Company has transferred the legal title of the good to the customer, that is, the customer has the legal title to the good.
- ③ The Company has transferred physical possession of the good to the customer, that is, the customer has physical possession of the good.
- ④ The Company has transferred the significant risks and rewards of ownership of the good to the customer, that is, the customer has obtained the significant risks and rewards of ownership of the good.
- ⑤ The customer has accepted the good or service.
- ⑥ Other indicators that the customer has obtained control of the good.

The Company's right to consideration for goods or services transferred to a customer (and this right depends on other factors other than the passage of time) is a contract asset which is subject to impairment on the basis of expected credit losses (see Note IV.9 (6)). The Company's unconditional