

IMPORTANT NOTICE

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. OFFERS WILL BE MADE, AND THE NOTES (AS DEFINED IN THE OFFERING CIRCULAR ATTACHED HERETO (THE “OFFERING CIRCULAR”)) ARE BEING OFFERED AND WILL BE ISSUED, ONLY TO PERSONS (I) (IF SO SPECIFIED IN THE APPLICABLE PRICING SUPPLEMENT (AS DEFINED IN THE OFFERING CIRCULAR) THAT ARE “QUALIFIED INSTITUTIONAL BUYERS,” AS THAT TERM IS DEFINED IN RULE 144A UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), IN A PRIVATE TRANSACTION IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR (II) THAT ARE PERSONS OTHER THAN “U.S. PERSONS,” AS THAT TERM IS DEFINED IN RULE 902 UNDER THE SECURITIES ACT, IN OFFSHORE TRANSACTIONS IN RELIANCE UPON REGULATION S UNDER THE SECURITIES ACT (EACH, AN “ELIGIBLE HOLDER”).

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the Offering Circular. You are therefore advised to read this disclaimer carefully before reading, accessing 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, including any modifications to them from time to time, each time you receive any information from, or on behalf of, an Issuer (as defined in the Offering Circular) as a result of such access.

Confirmation of Your Representation: In order to be eligible to view the following Offering Circular or make an investment decision with respect to the Notes, (1) you and any person you represent shall be deemed to have represented to each Issuer that you are an Eligible Holder, and (2) you must consent to delivery of the attached Offering Circular and any amendments or supplements thereto by electronic transmission.

Neither the Offering Circular nor any related Pricing Supplement (as defined in the Offering Circular) is a prospectus for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). The Offering Circular and any related Pricing Supplement have been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (the “**EEA**”) will only be made to a legal entity which is a qualified investor under the Prospectus Regulation (each, an “**EEA Qualified Investor**”). Accordingly, any person making or intending to make an offer in any Member State of the EEA of Notes which are the subject of the offering contemplated in the Offering Circular and any related Pricing Supplement may only do so with respect to EEA Qualified Investors. Neither the Issuer (as defined in the Offering Circular) nor the Dealers (as defined in the Offering Circular) have authorised, nor do they authorise, the making of any offer of Notes in the EEA other than to EEA Qualified Investors.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (“**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not an EEA Qualified Investor. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Neither the Offering Circular nor any related Pricing Supplement is a prospectus for the purposes of Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom (the “**UK**”) by virtue of the European Union (Withdrawal) Act 2018, as amended (the “**EUWA**”) (the “**UK Prospectus Regulation**”). The Offering Circular and any related Pricing Supplement have been prepared on the basis that any offer of Notes in the UK will only be made to a legal entity which is a qualified investor under the UK Prospectus Regulation (each, a “**UK Qualified Investor**”). Accordingly any person making or intending to make an offer in the UK of Notes which are the subject of the offering contemplated in the Offering Circular and any related Pricing Supplement may only do so with respect to UK Qualified Investors. Neither the Issuer nor the Dealers have authorised, nor do they authorise, the making of any offer of Notes in the UK other than to UK Qualified Investors.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the UK’s Financial Services and Markets Act 2000, as amended (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA (“**UK MiFIR**”); or (iii) not a UK Qualified Investor. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law in the UK by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MiFID II product governance / target market – The Pricing Supplement in respect of any Notes may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (an “**EU distributor**”) should take into consideration the target market assessment; however, an EU distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue of Notes about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers (as defined in the Offering Circular) nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules. The Issuer makes no representation or warranty as to any manufacturer’s or EU distributor’s compliance with the MiFID Product Governance Rules.

UK MiFIR product governance / target market – The Pricing Supplement in respect of any Notes may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**UK distributor**”) should take into consideration the target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue of Notes about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules. The Issuer makes no representation or warranty as to any manufacturer’s or UK distributor’s compliance with the UK MiFIR Product Governance Rules.

The communication of the Offering Circular, any related Pricing Supplement and any other document or materials relating to the issue of the Notes offered therein is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the FSMA. Accordingly, the Offering Circular, any related Pricing Supplement and such other documents and/or materials are not being distributed to, and must not be passed on to, the general public in the UK. The Offering Circular, any related Pricing Supplement and such other documents and/or materials are for distribution only to persons (i) who have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”)), (ii) fall within Article 49(2)(a) to (d) of the Financial Promotion Order, (iii) are outside the UK, or (iv) are other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as “relevant persons”). The Offering Circular, any related Pricing Supplement and such other documents and/or materials are directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which the Offering Circular, any related Pricing Supplement and any other document or materials relates will be engaged in only with relevant persons. Any person in the UK that is not a relevant person should not act or rely on the Offering Circular, any related Pricing Supplement or any such other documents and/or materials or any of their contents.

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 of the Notes, the Arrangers, the Dealers, or any person who controls any of them or any of their respective directors, employees, agents, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the offering circular distributed to you in electronic format and the hard copy version available to you on request from the Dealers.

THE NOTES 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 MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE BENEFIT OR ACCOUNT OF ANY U.S. PERSON EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF NOTES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. ANY INVESTMENT DECISION SHOULD BE MADE ON THE BASIS OF THE INFORMATION CONTAINED IN THE OFFERING CIRCULAR. 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 NOTES DESCRIBED THEREIN.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of any Issuer or any of the Dealers to subscribe for or purchase any of the Notes described therein. In addition, access to this electronic transmission has been limited so that it shall not constitute a general advertisement or general solicitation or directed selling efforts in the United States or elsewhere. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any of the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealers and their respective affiliates 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 the attached Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver or disclose the contents of the Offering Circular, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to any of the foregoing restrictions, you are not authorised and will be unable to purchase any of the Notes described therein.

Actions that You May Not Take: You should not reply by e-mail to this communication, and you may not purchase any Notes 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.

YOU ARE NOT AUTHORISED AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED OFFERING CIRCULAR ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH OFFERING CIRCULAR IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED OFFERING CIRCULAR 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.

You are responsible for protecting against viruses and other destructive items. Your use of electronic communication 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.

Offering Circular dated October 25, 2024



(a policy bank organised under the laws of the People's Republic of China)

US\$27,000,000,000

Medium Term Notes Programme under Eximbank Funding Programme

The Export-Import Bank of China (the “**China Eximbank**”), a policy bank in the People's Republic of China (the “**PRC**” or “**China**”), has in place the Eximbank funding programme comprising (i) the US\$27,000,000,000 medium term note programme as described in this Offering Circular (the “**MTN Programme**”), for the issuance of medium term notes on a continuing basis through one or more dealers; and (ii) the US\$3,000,000,000 commercial paper programme (the “**ECP Programme**”) which will be issued pursuant to a separate set of documents other than this Offering Circular, for the issuance of notes with an original maturity of less than one year on a continuing basis through one or more dealers appointed for such purpose. The MTN Programme established and described in this Offering Circular, and the separate US\$3,000,000,000 ECP Programme will be utilised by China Eximbank for the issuance of medium term notes and short term commercial paper, respectively.

Pursuant to this MTN Programme, China Eximbank, or an overseas branch of China Eximbank, each time as may be specified in the relevant Pricing Supplement (as defined in “**Overview of the MTN Programme**”) (in its capacity as issuer, an “**Issuer**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Notes (the “**Notes**”). The aggregate amount of Notes issued under the MTN Programme and outstanding will not at any time exceed US\$27,000,000,000 (or the equivalent in other currencies), subject to increases of the programme size made in accordance with the terms of a Dealer Agreement (as defined in “**Subscription and Sale**”).

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

Pursuant to the Articles of Association of China Eximbank (the “**Articles of Association**”), debt securities issued by China Eximbank, including the Notes issued pursuant to this MTN Programme by the Issuer, will constitute “**policy financial bonds**” with credit support pledged by the government of the PRC. In addition, pursuant to the Special Decree of the State Council dated March 19, 1994 (the “**Special Decree**”), the People's Bank of China, the PRC central bank, is authorised and obligated to provide short-term loans to China Eximbank in the event that China Eximbank experiences any liquidity shortages. However, neither the credit support pledged by the PRC government nor the obligation of the People's Bank of China to make such loans to China Eximbank constitutes a guarantee of any such debt securities, including the Notes, and is not enforceable against the PRC government or the People's Bank of China by, and does not confer any right under or in respect of the Articles of Association or the Special Decree upon, any investor in any such debt securities, including the Notes.

Investing in the Notes involves certain risks. See “Risk Factors” beginning on page 6. Investors should have sufficient knowledge and experience in financial and business matters to evaluate the information contained in this Offering Circular and in the applicable Pricing Supplement and the merits and risks of investing in a particular Series in the context of their financial position and particular circumstances. Investors also should have the financial capacity to bear the risks associated with an investment in Notes. Investors should not purchase Notes unless they understand and are able to bear risks associated with Notes.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in and quotation for any Notes that may be issued pursuant to the MTN Programme and which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to 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 in this Offering Circular. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of an Issuer, its subsidiaries, its associated companies, the MTN Programme or such Notes. However, unlisted Notes and Notes to be listed, traded or quoted on or by any other competent authority, stock exchange or quotation system may be issued pursuant to the MTN Programme. The relevant Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed.

Each Series (as defined in “**Summary of the MTN Programme**”) of Notes in bearer form (“**Bearer Notes**”) will be represented on issue by a temporary global note in bearer form (each a “**Temporary Global Note**”) or a permanent global note in bearer form (each a “**Permanent Global Note**”) and, together with the Temporary Global Note, the “**Global Notes**”). Interests in Temporary Global Note which will be exchangeable, in whole or in part, for interests in a permanent Global Note or for definitive Bearer Notes, after the expiry of 40 days after the later of the completion of the distribution of the relevant Tranche (as defined in “**Summary of the MTN Programme**”) of the Notes and the issue date, upon certification as to non-U.S. beneficial ownership.

Notes in registered form (“**Registered Notes**”) will be represented by registered certificates (each a “**Certificate**”), one definitive Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series or (a) in the case of Notes issued in reliance on Category 3 of Regulation S (“**Regulation S**”) of the United States Securities Act of 1933, as amended (the “**Securities Act**”), a temporary global certificate in registered form (a “**Temporary Global Certificate**”) or (b) in the case of all other Notes, a permanent global certificate in registered form (a “**Permanent Global Certificate**”) and, together with the Temporary Global Certificate, the “**Global Certificates**”) in respect of the Notes. Interests in Temporary Global Certificates will be exchangeable for interests in a Permanent Global Certificate only after the expiry of 40 days after the later of the completion of the distribution of the relevant Tranche of the Notes and the issue date, and upon certification as to non-U.S. beneficial ownership.

Global Notes may be deposited on the issue date with a common depository on behalf of Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”) or with a sub-custodian for the Central Money Markets Unit Service, operated by the Hong Kong Monetary Authority (the “**CMU**”), and Global Certificates may be deposited on the issue date with a custodian for, and registered in the name of a nominee of, The Depository Trust Company (“**DTC**”), with a common depository on behalf of Euroclear and Clearstream or with a sub-custodian for the CMU. In the case of a Series intended to be cleared through a clearing system other than, or in addition to, DTC, Euroclear and/or Clearstream or CMU, or delivered outside a clearing system, the Global Notes and Global Certificates may be deposited on the relevant issue date as agreed between the relevant Issuer and the relevant Dealer.

The Notes of each Series to be issued in registered form and which are sold in an “**offshore transaction**” within the meaning of Regulation S (“**Unrestricted Notes**”), will initially be represented by a permanent registered global certificate (each an “**Unrestricted Global Certificate**”) without interest coupons, which may be deposited on the relevant issue date (a) in the case of a Series intended to be cleared through Euroclear and/or Clearstream, with a common depository on behalf of Euroclear and Clearstream and (b) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, or delivered outside a clearing system, as agreed between the relevant Issuer and the relevant Dealer. Registered Notes which are sold in the United States to qualified institutional buyers (each a “**QIB**”) within the meaning of Rule 144A (“**Rule 144A**”) under the Securities Act (“**Restricted Notes**”) will initially be represented by a permanent registered global certificate (each a “**Restricted Global Certificate**”), which may be deposited on the relevant issue date with a custodian (the “**Custodian**”) for, and registered in the name of Cede & Co. as nominee for DTC.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE NOTES MAY INCLUDE BEARER NOTES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED, SOLD, OR, IN THE CASE OF BEARER NOTES, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT). SEE “SUBSCRIPTION AND SALE” FOR FURTHER DESCRIPTION OF RESTRICTIONS ON TRANSFER.

The MTN Programme is rated “A+” by Standard & Poor's Global Ratings (“**S&P**”) and A1 by Moody's Investors Service (“**Moody's**”). Tranches of Notes to be issued under the MTN Programme may be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the ratings assigned to the MTN Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agency.

This Offering Circular is not an offering document until and unless it is accompanied by a pricing or other supplement that specifically claims to constitute an offering document.

Arrangers

Bank of China

**Bank of
Communications**

**China Construction
Bank (Asia)**

Crédit Agricole CIB

MUFG

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Notes of the relevant Series and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Fiscal Agent, any of the paying agents, registrars, transfer agents and calculation agent (collectively, the “Agents”), or any of the Dealers or the Arrangers (as defined in “*Overview of the Programme*”). Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof, the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof, the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the MTN Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the offering, including the merits and risks involved. Please see “*Risk Factors*” for a discussion of certain risks and uncertainties to be considered in connection with an investment in the Notes. Each Tranche of Notes will be issued on the terms set out herein under “*Terms and Conditions of the Notes*” as amended and/or supplemented. This Offering Circular must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein (see “*Information Incorporated by Reference*”) and, in relation to any Tranche of Notes, must be read and construed together with the relevant Pricing Supplement. This Offering Circular shall be read and construed on the basis that such information is incorporated in and forms part of this Offering Circular.

The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Dealers and the Arrangers to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Notes may include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions and the fulfilment of applicable conditions, Notes may not be offered or sold within the United States. For a description of certain restrictions on offers and sales of Notes and on distribution of this Offering Circular, see “*Subscription and Sale*.”

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to Prospective Investors: Prospective investors should be aware that certain intermediaries in the context of certain offering of the Notes pursuant to this Programme, each such offering, a “CMI Offering”, including certain Dealers, may be “capital market intermediaries” (together, the “CMIs”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “SFC Code”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (together, the “OCs”) for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealers in respect of each CMI Offering.

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 (an “**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 relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in

relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Dealer or its group company has more than 50% interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a “proprietary order”. If a prospective investor is otherwise affiliated with relevant Dealer, such that its order may be considered to be a “proprietary order” (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not 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 the relevant CMI Offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI offering.

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

Neither this Offering Circular nor any related Pricing Supplement is a prospectus for the purposes Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”). This Offering Circular and any related Pricing Supplement have been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (the “**EEA**”) will only be made to a legal entity which is a qualified investor under the Prospectus Regulation (each, an “**EEA Qualified Investor**”). Accordingly, any person making or intending to make an offer in any Member State of the EEA of Notes which are the subject of the offering contemplated in this Offering Circular and any related Pricing Supplement may only do so with respect to EEA Qualified Investors. Neither the Issuer nor the Dealers have authorised, nor do they authorise, the making of any offer of Notes in the EEA other than to EEA Qualified Investors.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (“**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not an EEA Qualified Investor. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Neither this Offering Circular nor any related Pricing Supplement is a prospectus for the purposes of Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom (the “**UK**”) by virtue of the European Union (Withdrawal) Act 2018, as amended (the “**EUWA**”) (the “**UK Prospectus Regulation**”). This Offering Circular and any related Pricing Supplement have been prepared on the basis that any offer of Notes in the UK will only be made to a legal entity which is a qualified investor under the UK Prospectus Regulation (each, a “**UK Qualified Investor**”). Accordingly any person making or intending to make an offer in the UK of Notes which are the subject of the offering contemplated in this Offering Circular and any related Pricing Supplement may only do so with respect to UK Qualified Investors. Neither the Issuer nor the Dealers have authorised, nor do they authorise, the making of any offer of Notes in the UK other than to UK Qualified Investors.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the UK’s Financial Services and Markets Act 2000, as amended (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA (“**UK MiFIR**”); or (iii) not a UK Qualified Investor. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law in the UK by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MiFID II product governance / target market – The Pricing Supplement in respect of any Notes may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (an “**EU distributor**”) should take into consideration the target market assessment; however, an EU distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue of Notes about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules. The Issuer makes no representation or warranty as to any manufacturer’s or EU distributor’s compliance with the MiFID Product Governance Rules.

UK MiFIR product governance / target market – The Pricing Supplement in respect of any Notes may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**UK distributor**”) should take into consideration the target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue of Notes about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules. The Issuer makes no representation or warranty as to any manufacturer’s or UK distributor’s compliance with the UK MiFIR Product Governance Rules.

The communication of this Offering Circular, any related Pricing Supplement and any other document or materials relating to the issue of the Notes offered hereby is not being made, and this Offering Circular, any related Pricing Supplement and such other documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the FSMA. Accordingly, this Offering Circular, any related Pricing Supplement and such other documents and/or materials are not being distributed to, and must not be passed on to, the general public in the UK. This Offering Circular, any related Pricing Supplement and such other documents and/or materials are for distribution only to persons who (i) have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the “*Financial Promotion Order*”), (ii) fall within Article 49(2)(a) to (d) of the Financial Promotion Order, (iii) are outside the UK, or (iv) are other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as “*relevant persons*”). This Offering Circular, any related Pricing Supplement and such other documents and/or materials are directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offering Circular, any related Pricing Supplement and any other document or materials relates will be engaged in only with relevant persons. Any person in the UK that is not a relevant person should not act or rely on this Offering Circular, any related Pricing Supplement and such other documents and/or materials or any of their contents.

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Fiscal Agent, the Agents, the Arrangers or the Dealers to subscribe for, or purchase, any Notes.

The Arrangers, the Fiscal Agent, the Agents and the Dealers have not separately verified the information contained in this Offering Circular. To the fullest extent permitted by law, none of the Arrangers, the Fiscal Agent, the Agents or the Dealers makes any representation, express or implied, or accepts any responsibility for the contents of this Offering Circular or for any other statement, made or purported to be made by any of the Arrangers, the Fiscal Agent, the Agents or the Dealers or on their respective behalf in connection with the Issuer or the issue and offering of Notes. The Arrangers, the Fiscal Agent, the Agents and the Dealers accordingly each disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which any of them might otherwise have in respect of this Offering Circular or any such statement. Neither this Offering Circular nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Fiscal Agent, the Agents, the Arrangers or the Dealers that any recipient of this Offering Circular should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular

and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Arrangers, the Fiscal Agent, the Agents or Dealers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or Arrangers.

In connection with the issue of any Tranche, the relevant Dealer or Dealers (if any) named as the stabilisation manager(s) (the “*Stabilisation Manager(s)*”) (or any person acting on behalf of any Stabilisation Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and, in the case of Registered Notes, within the United States to QIBs in reliance on Rule 144A. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of Notes and distribution of this Offering Circular see “*Subscription and Sale*”.

Neither the United States Securities and Exchange Commission (the “SEC”) nor any state securities commission in the United States has approved or disapproved of the Notes or determined if this Offering Circular is truthful or complete. Any representation to the contrary is a criminal offense in the United States.

ENFORCEABILITY OF JUDGMENTS

China Eximbank is a policy bank organised under the laws of the People’s Republic of China (the “PRC”). None of the directors and executive officers of China Eximbank are residents of the United States, and all or a substantial portion of the assets of China Eximbank and such persons are located outside the United States.

As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or China Eximbank or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any State or territory within the United States.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Offering Circular (and any amendments or supplements) and each Pricing Supplement include forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the United States Securities Exchange Act of 1934, as amended (the “Exchange Act”). The words “anticipate,” “believe,” “expect,” “plan,” “intend,” “target,” “aim,” “estimate,” “project,” “will,” “would,” “may,” “could,” “continue” and similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact included in this Offering Circular and any Pricing Supplement, including, without limitation, those regarding China Eximbank’s financial position, business strategy, management plans and

objectives for future operations, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause China Eximbank's actual results, performance or achievements, or industry results, to be materially different from those expressed or implied by these forward-looking statements. These forward-looking statements are based on numerous assumptions regarding China Eximbank's present and future business strategies and the environment in which China Eximbank expects to operate in the future. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Risk Factors." Forward-looking statements speak only as of the date of this Offering Circular or the relevant Pricing Supplement and China Eximbank expressly disclaim any obligation or undertaking to publicly update or revise any forward-looking statements in this Offering Circular to reflect any change in China Eximbank's expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Given the uncertainties of forward-looking statements, China Eximbank cannot assure you that projected results or events will be achieved and China Eximbank cautions you not to place undue reliance on these statements.

PRESENTATION OF INFORMATION

Reference in this Offering Circular to "**RMB**", "**CNY**" or "**Renminbi**" are to the lawful currency for the time being of the PRC. References in this Offering Circular and any Pricing Supplement to "**US\$**", "**U.S.\$**", "**USD**" or "**U.S. dollars**" are to the lawful currency for the time being of the United States; references to "Sterling" and "£" refer to pounds sterling; all references to "**EUR**", "**Euro**" or "**€**" are to the euro, the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

References in this Offering Circular to "**the National Development and Reform Commission**" are to the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會); references to "**the People's Bank of China**" are to the People's Bank of China (中國人民銀行); references to "**the State Administration of Foreign Exchange**" are to the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局); and references to "**State Council**" are to the PRC State Council (中華人民共和國國務院).

China Eximbank's financial statements are prepared in Chinese in accordance with the accounting principles and practices set forth in the notes to the consolidated financial statements in the Report of General Manager (Financial Management and Accounting Department) and may differ in material respects from generally accepted accounting principles in the United States and other jurisdictions. The section entitled "Significant Differences Between PRC Accounting Standards and International Financial Reporting Standards" in this Offering Circular contains a summary of certain significant differences between the PRC accounting standards and International Financial Reporting Standards ("**IFRS**") issued by the International Accounting Standards Board. The English version of China Eximbank's consolidated financial statements is a translation from its original Chinese version.

In this Offering Circular, because certain amounts have been rounded, 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.

CHANGES IN STATISTICAL COMPILATION AND PRESENTATION OF FINANCIAL INFORMATION

China Eximbank has made changes in its statistical collection, collation and disclosure relating primarily to its import/export credit operations. These changes have become necessary due to the development in China

Eximbank's operating model, business expansion and overall reform in recent years. The implementation of these statistical compilation measures is meant to more accurately and factually reflect China Eximbank's results of operations and to better manage information flow within China Eximbank in its expanded operations and with its regulators. Effective with its 2015 annual report, China Eximbank has ceased to follow the statistical collection, collation and disclosure methods used in prior years and has adopted this new statistical compilation and financial presentation with comparable changes made to its 2014 statistical and financial presentation for comparison.

AVAILABLE INFORMATION

The Issuer has agreed that, for so long as any Notes are "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, it will during any period that it is neither subject to section 13 or 15(d) of the United States Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder furnish, upon request, to any holder or beneficial owner of such restricted securities or any prospective purchaser designated by any such holder or beneficial owner upon the request of such holder, beneficial owner or prospective purchaser, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

EXCHANGE RATE INFORMATION

The People's Bank of China, 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 People's Bank of China also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. From 1994 to July 20, 2005, the conversion of Renminbi into foreign currencies, including Hong Kong dollars and U.S. dollars, was based on rates set daily by the People's Bank of China on the basis of the previous day's inter-bank foreign exchange market rates and then current exchange rates in the world financial markets. During this period, the official exchange rate for the conversion of Renminbi to U.S. dollars remained generally stable. Although the PRC government introduced policies in 1996 to reduce restrictions on the convertibility of Renminbi into foreign currencies for current account items, conversion of Renminbi into foreign currencies for capital items, such as foreign direct investment, loan principals and securities trading, still requires the approval of the State Administration of Foreign Exchange and other authorities. On July 21, 2005, the PRC government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. The PRC government has since made various adjustments to the exchange rate system, with the People's Bank of China widening the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi from 0.3% to 0.5% around the central parity rate on May 21, 2007, to 1% on April 16, 2012 and to 2% on March 17, 2014. Effective since August 11, 2015, market makers are required to quote their central parity rates for Renminbi against the U.S. dollar to the China Foreign Exchange Trade System daily before the market opens by reference to the closing rate of the PRC inter-bank foreign exchange market on the previous trading day in conjunction with the demand and supply conditions in the foreign exchange markets and exchange rate movements of major currencies. The People's Bank of China has further authorised the China Foreign Exchange Trade System to announce its central parity rate for Renminbi against the U.S. dollar through a weighted averaging of the quotes from the market makers after removing the highest quote and the lowest quote.

The following table sets forth the noon buying rate in Renminbi as set forth in the H.10 statistical release of the Federal Reserve Bank of New York for the periods indicated. On October 18, 2024, the exchange rate was RMB7.1015 to US\$1.00.

Period	Noon buying rate			
	Period end	Average ⁽¹⁾	High	Low
		(CNY per US\$1.00)		
2019	6.9618	6.9081	7.1786	6.6822
2020	6.5250	6.5393	6.5705	6.5208
2021	6.3726	6.4518	6.5716	6.3435
2022	6.8972	6.7518	7.3048	6.3084
2023	7.0999	7.0797	7.3430	6.7010
2024				
April	7.2401	7.2374	7.2464	7.2305
May	7.2410	7.2327	7.2494	7.2071
June	7.2672	7.2547	7.2688	7.2393
July	7.2193	7.2607	7.2758	7.2193
August	7.0900	7.1475	7.2441	7.0900
September	7.0176	7.0760	7.1209	7.0106
October (through October 18, 2024).....	7.1015	7.0643	7.1216	7.0175

Note:

- (1) Determined by averaging the rates on the last business day of each month during the relevant year, except for the monthly average rates, which are determined by averaging the daily rates during the respective months.

For convenience purposes, this Offering Circular includes translations of RMB amounts into U.S. dollars at the rate of RMB7.0999 = U.S.\$1.00, the noon buying rate in Renminbi as released by the Federal Reserve Bank of New York for December 29, 2023.

INFORMATION INCORPORATED BY REFERENCE

The Issuer hereby incorporates by reference (i) China Eximbank's most recent audited annual consolidated financial statements and China Eximbank's most recent unaudited interim consolidated financial statements, if any, each published from time to time after the date of this Offering Circular and (ii) all amendments and supplements from time to time to this Offering Circular, each of which shall be deemed to be incorporated in, and to form part of, this Offering Circular. The information incorporated by reference is considered to be a part of this Offering Circular and should be read with the same care. In the case of a conflict or inconsistency between information contained in this Offering Circular and information incorporated by reference into this Offering Circular, you should rely on the information contained in the document that was filed later.

When the Issuer incorporates by reference, it means that the Issuer can disclose important information to the investors by referring to other subsequent documents already on file and readily accessible. You should understand that each document incorporated by reference is current only as of the date of such document, and the incorporation by reference of such documents should not create any implication that there has been no change in the affairs of China Eximbank since such date. Any further documents incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

Copies of this Offering Circular, Fiscal Agency Agreement and the Pricing Supplement will be available free of charge for inspection by the Noteholders upon written request and proof of holding and identity satisfactory to the Fiscal Agent during usual business hours (being between 9:00 a.m. (Hong Kong time) to 3:00 p.m. (Hong Kong time)) on any day (Saturdays, Sundays and public holidays excepted) from the specified offices of the Fiscal Agent set out at the end of this Offering Circular.

SUPPLEMENTAL OFFERING CIRCULAR

The Issuer has undertaken that, unless the Issuer does not intend to issue Notes under the MTN Programme for the time being, the Issuer shall prepare and publish an amendment or supplement with respect to the Offering Circular if at any time during the duration of the MTN Programme a significant new factor, material mistake or material inaccuracy arises or is noted relating to the information included in the Offering Circular which is capable of affecting an assessment by investors of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and/or of the rights attaching to the Notes.

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OVERVIEW OF THE MTN PROGRAMME

The following overview of the MTN Programme is a summary only and is therefore qualified in its entirety by the remainder of this Offering Circular. Investors should not unduly rely on this overview for a complete understanding of the MTN Programme.

Eximbank Funding Programme	This Medium Term Note Programme forms one part of China Eximbank's Eximbank funding programme. China Eximbank's Eximbank funding programme comprises the issuance of medium term notes, pursuant to this MTN Programme, and the issuance of short term commercial paper pursuant to a separate commercial paper programme.
Description	Medium Term Note Programme.
The Issuer	The Export-Import Bank of China, or an overseas branch of China Eximbank, each time as specified in the applicable Pricing Supplement
LEI Code of the Issuer	300300C1020211000045
Size	Up to US\$27,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate amount of Notes outstanding at any one time. China Eximbank may increase the size of the MTN Programme in accordance with the terms of the Dealer Agreement.
Risk Factors	There are certain factors that may affect an Issuer's ability to fulfill its obligations under Notes issued by it under the MTN Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the MTN Programme. These are set out under "Risk Factors" and include the fact that the Notes may not be a suitable investment for all investors, certain risks relating to the structure of particular Series of Notes and certain market risks.
Arrangers	Bank of China Limited, Bank of Communications Co., Ltd. Hong Kong Branch, a joint stock company incorporated in the People's Republic of China with limited liability, China Construction Bank (Asia) Corporation Limited, Crédit Agricole Corporate and Investment Bank, incorporated in France with members' limited liability and MUFG Securities Asia Limited
Fiscal Agent, Paying Agent and Transfer Agent	China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司)
Registrars	China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司)
Method of Issue	The Notes may be issued on a syndicated or non-syndicated basis. The Notes may be issued in series (each a "Series") having one or more issue dates (each tranche within such Series, a "Tranche") and on terms otherwise identical (or

identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a pricing supplement (a “**Pricing Supplement**”).

Issue Price

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

Form of Notes

Notes may be issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”). Registered Notes will not be exchangeable for Bearer Notes and vice versa.

Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Pricing Supplement. Each Global Note will be deposited on or around the relevant issue date with a common depositary or sub-custodian for Euroclear Bank SA/NV (“**Euroclear**”), Clearstream Banking S.A. (“**Clearstream**”) and/or as the case may be, the CMU and/or any other relevant clearing system. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Pricing Supplement, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Pricing Supplement as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Registered Notes will be represented by registered Certificates, one definitive Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series or (a) in the case of Notes issued in reliance on Category 3 of Regulation S of the Securities Act), a Temporary Global Certificate or (b) in the case of all other Notes, a Permanent Global Certificate, in respect of the Notes. Interests in Temporary Global Certificates will be exchangeable for interests in a Permanent Global Certificate only after the date falling at least 40 days after the completion of the distribution of the Notes of the relevant Series and upon certification as to non-U.S. beneficial ownership. Registered Notes sold in an “offshore transaction” within the meaning of Regulation S will

initially be represented by an Unrestricted Global Certificate. Registered Notes sold in the United States to QIBs within the meaning of Rule 144A will initially be represented by a Restricted Global Certificate.

Clearing Systems

Clearstream, Euroclear, the CMU for Bearer Notes. Clearstream, Euroclear, the CMU and DTC for Registered Notes. Or, in relation to any Tranche, such other clearing system as may be agreed between the relevant Issuer, the Fiscal Agent and the relevant Dealers.

Initial Delivery of Notes

On or before the issue date for each Tranche, the Global Note representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream, deposited with a sub-custodian for the Hong Kong Monetary Authority (“HKMA”) as operator of the CMU, or deposited with the Custodian for, and registered in the name of Cede & Co. as a nominee for DTC or deposited with a depositary or sub-custodian for any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the relevant Issuer, the Fiscal Agent and the relevant Dealers. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee for, such clearing systems.

Currencies

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the relevant Issuer and the relevant Dealers, as specified in the relevant Pricing Supplement.

Maturities

Subject to compliance with all relevant laws, regulations and directives, any maturity.

Specified Denomination

Notes will be in such denominations as may be specified in the relevant Pricing Supplement, subject to compliance with all relevant laws, regulations and directives.

Notes (including Notes denominated in pounds sterling) in respect of which the issue proceeds are to be accepted in the United Kingdom and which have a maturity of less than one year shall have a minimum denomination and redemption value of £100,000 (or if the Notes are denominated in a currency other than pounds sterling, as specified in the Pricing Supplement, at least the equivalent thereof in such currency using the spot rate as of the date of issue).

Interest

Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate and the method of calculating interest may vary between the issue date and the maturity date of the relevant

	Tranche. All such information will be set out in the relevant Pricing Supplement.
Redemption and Redemption Amounts	The relevant Pricing Supplement will specify the basis for calculating the redemption amounts payable.
Optional Redemption	The relevant Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the relevant Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.
Status of the Notes	The Notes and the Receipts and the Coupons relating to them will constitute direct, unconditional, unsubordinated and, unsecured obligations of the Issuer. See “Terms and Conditions of the Notes – Status”.
Credit or Liquidity Support	The Notes are not guaranteed by the PRC. The PRC government has pledged its credit support for debt securities of China Eximbank, including the Notes issued by an Issuer, according to the Articles of Association. In addition, pursuant to the Special Decree, the People’s Bank of China is authorised and obligated to provide short-term loans to China Eximbank in the event that China Eximbank experiences any liquidity shortages. However, neither the credit support pledged by the PRC government nor this obligation of the People’s Bank of China to make such loans to China Eximbank constitutes a guarantee from the PRC government or the People’s Bank of China, and the holders of the Notes do not have any rights against the PRC government or the People’s Bank of China in respect of this support obligation.
Negative Pledge	See “Terms and Conditions of the Notes – Negative Pledge”
Events of Default	See “Terms and Conditions of the Notes – Events of Default”.
Cross Default	See the relevant sub-condition under “Terms and Conditions of the Notes – Events of Default”.
Ratings	<p>The MTN Programme is rated “A+” by S&P and A1 by Moody’s. Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Pricing Supplement.</p> <p>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.</p>
Early Redemption	Except as provided in “Optional Redemption” above, Notes will be redeemable at the option of the relevant Issuer prior to maturity only for tax reasons. See “Terms and Conditions of the Notes – Redemption, Purchase and Options”.
Withholding Tax	In the case of China Eximbank as Issuer, all payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the PRC, and, in the case of a

	branch of China Eximbank as Issuer, the PRC and the country where that branch is located, subject to certain exceptions, all as described in “Terms and Conditions of the Notes – Taxation”.
Governing Law	English law, except that all matters governing authorisation by China Eximbank shall be subject to the laws of the PRC.
Jurisdiction	Any dispute, controversy or claim arising out of or in relation to any Notes, Receipts, Coupons or Talons, including the validity, invalidity, breach or termination thereof and any non-contractual obligations arising out of or in connection with them shall be settled by arbitration in Hong Kong.
Listing	<p>Approval in-principle has been received from the SGX-ST for permission to deal in, and for quotation of, any Notes that may be issued pursuant to the MTN Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST.</p> <p>Any application for the listing of Notes on the SGX-ST will be made separately with respect to each such issue of Notes.</p> <p>If the application to the SGX-ST to list a particular series of Notes is approved, for so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes, if traded, will be traded on the SGX-ST in a board lot size of at least S\$200,000 (or its equivalent in other currencies).</p> <p>As specified in the relevant Pricing Supplement, a Series of Notes may be unlisted.</p>
Selling Restrictions	<p>For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States, the EEA, the UK, Hong Kong, Singapore, the PRC and Japan, see “Subscription and Sale” below.</p> <p>Bearer Notes will be issued in compliance with U.S. Treasury Regulations §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”)) (“TEFRA D”), unless (i) such Bearer Notes are issued in compliance with U.S. Treasury Regulations §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (“TEFRA C”) or (ii) the Bearer Notes are issued in circumstances under which TEFRA is not applicable as set forth in the applicable terms for such Bearer Notes.</p>
Transfer Restrictions	There are restrictions on the transfer of Notes sold pursuant to Regulation S under the Securities Act prior to the expiration of the relevant distribution compliance period and on the transfer of Registered Notes sold pursuant to Rule 144A under the Securities Act.

RISK FACTORS

The Issuer believes that the following risks and uncertainties may affect its ability to fulfil its obligations under the Notes issued under the MTN Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

These risks and uncertainties may be material for the purpose of assessing the market risks associated with Notes issued under the MTN Programme. The Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular (including any information incorporated by reference herein) and the relevant Pricing Supplement, and reach their own views prior to making any investment decision.

RISKS RELATING TO CHINA EXIMBANK

The PRC government does not guarantee the Notes

Although the PRC central government wholly owns China Eximbank and has pledged its credit support for debt securities of China Eximbank, including the Notes, pursuant to the Articles of Association (as amended and approved in October, 2018), and the People's Bank of China is authorised and obligated pursuant to the Special Decree to provide short-term loans to China Eximbank if it experiences any liquidity shortages, the borrowings and other obligations, including the Notes, of China Eximbank are not guaranteed by the PRC government or the People's Bank of China. Neither the credit support provided by the PRC government nor the obligation of the People's Bank of China to make such loans to China Eximbank constitutes a guarantee with respect to the obligations of China Eximbank under the Notes. You may not enforce such credit support against the PRC government or the People's Bank of China. Nor does it confer upon you any other right under or in respect of the Articles of Association or the Special Decree.

Profit maximisation is not the primary objective of China Eximbank

With Chinese government's credit support, China Eximbank plays a crucial role in promoting steady economic growth and structural adjustment, supporting foreign trade and the "going global" endeavor. It is committed to reinforcing financial support to key sectors and weak links in the Chinese economy to ensure sustainable and healthy economic and social development.

China Eximbank's main mandate is to facilitate China's national development strategies, and build a policy bank which has clear-cut market positioning, well-defined business portfolio, unique functions, sufficient capital, good governance, strict internal control, safe operation, high-quality service and sustainable development capability.

China Eximbank mainly supports the following areas:

- (1) foreign trade and cross-border investment, to support trade of goods, labor and technology between the domestic market of China and the overseas markets, Chinese companies and their products and services to go global, as well as areas which are conducive to enhancing international competitiveness and opening-up level of China;
- (2) the Belt and Road initiative, cooperation of international industrial capacity and equipment manufacturing, infrastructure interconnection and energy resources, and other areas of international cooperation;
- (3) science and technology, cultural industry and "going global" endeavors of small and medium enterprises; and

- (4) other areas of foreign trade and endeavours to “go global” and facilitation of an open economy in conformity with China’s national development strategies and policies.

Unlike commercial banks, China Eximbank does not seek to maximise profits although it is not an aid agency either. You should not expect China Eximbank to maximise or otherwise increase its operating profits to service the Notes. As a result, China Eximbank’s ability to satisfy its obligations under the Notes may be adversely affected by its non-profit maximisation purpose.

China Eximbank’s credit portfolio and its operations are exposed to the risk of borrower defaults

China Eximbank provides financial support for the export and import of products and services in line with the PRC government’s development strategy and industrial and foreign trade policies. Although some of its export and import credit support projects are recommended by PRC governmental agencies and China Eximbank evaluates each project in accordance with its own evaluation standards before it approves an export/import credit, China Eximbank cannot assure, however, that the credibility of its borrowers will not change or that there will be no default by its borrowers or failure by their guarantors to meet their payment and other obligations. China Eximbank’s evaluation standards are also subject to periodic review and may not remain unchanged for any given period of time. In addition, China Eximbank may suspend, downgrade or withdraw the credit quality rating it accords to any export/ import credit at any time if in its judgment circumstances so warrant. As of December 31, 2021, 2022 and 2023, China Eximbank had non-performing loans (comprising all substandard, doubtful and bad loans) of approximately RMB70.3 billion, RMB68.7 billion and RMB62.7 billion, respectively, representing approximately 1.58%, 1.36% and 1.18%, respectively, of its outstanding loan portfolios. The decrease of outstanding balance and ratio of the non-performing loans in 2022 was the first time that China Eximbank recorded a decrease in such balance and ratio since 2012. The China Eximbank has recorded the lowest non-performing loan ratio in 2023 since 2015. Furthermore, as of December 31, 2021, 2022 and 2023, China Eximbank had a loan loss reserve of approximately RMB136.2 billion, RMB137.5 billion and RMB138.5 billion, respectively. The increase in China Eximbank’s loan loss reserve were primarily due to the changes of China Eximbank’s loan scale and asset quality. If the loan principal loss reserve maintained by China Eximbank proves to be insufficient to cover its loan losses, its business, financial condition and results of operations may deteriorate. Any deterioration of China Eximbank’s credit portfolio and/or lack of additional financial support from the PRC government may in turn adversely affect China Eximbank’s ability to service its Notes and to satisfy its other obligations under the Notes.

If China Eximbank is unable to realise the collateral or guarantees securing the outstanding principal and interest of its loans and/or credit facilities, China Eximbank’s financial condition and results of operations may be adversely affected

A significant portion of China Eximbank’s loans and credit facilities are secured by collateral and/or guarantees. For example, most of China Eximbank’s export credits are collateralised with credit enhancement arrangements, including guarantees from borrowers’ sponsors, banks or affiliated companies and security interests in borrowers’ real or other assets. Most of China Eximbank’s foreign exchange guarantees are collateralised with counter-guarantees from the borrowers’ sponsors, local banks or affiliated companies or with security interests in the borrowers’ real or other properties.

China Eximbank’s credit collateral primarily includes real or other assets in the PRC, the value of which may decline due to factors beyond China Eximbank’s control, including macroeconomic factors affecting the PRC economy in general or any relevant regional economy, or specific market value fluctuations of such assets. In particular, an economic slowdown in China may lead to a downturn in the PRC real estate markets, which may in turn result in declines in the value of the real estate collateral securing many of China Eximbank’s financing activities to levels below the outstanding principal balance of such loans and/or credit facilities. Credit guarantees are subject to various factors affecting their strength as credit enhancements, including the credit-

worthiness of the guarantors from time to time. In addition, China Eximbank's exposure to such guarantors is generally unsecured, and a significant deterioration in the financial condition of these guarantors will increase the risk that China Eximbank may not be able to recover the full amount of such guarantees if and when required. Any significant decline in the value of the collateral securing China Eximbank's loans and/or credit facilities may result in a reduction in the amount China Eximbank can recover from collateral realisation and an increase in its impairment losses.

Due to the diverse nature of the collateral securing China Eximbank's credit or guarantee projects and the potential lack of liquidity of such collateral, there can be no assurance that, in the event of foreclosure upon any credit collateral, China Eximbank would be able to recover, if at all, the full amount owed to it from the disposal of such collateral.

China Eximbank's business could be affected by PRC economic, political and social conditions and the global economy, as well as geopolitical and other global challenges and uncertainties

China Eximbank's main businesses, assets and operations are located in the PRC. Accordingly, its operations and financial performance are, to a significant degree, subject to the economic, political and social conditions and developments in the PRC. The PRC has been one of the fastest growing economies in the world in terms of GDP growth in the recent past. Such economic slow-down in the PRC, coupled with the economic structural reform across the PRC, may add extra uncertainties to China Eximbank's operations, including its loan portfolios, in terms of growth and quality. In addition, the PRC, as a sovereign state, maintains diplomatic relations with 183 countries and trade and economic relations with more than 200 countries and regions in the world, and have signed 22 free trade agreements, covering 29 countries and regions as of August 31, 2023. China Eximbank, as the policy bank of China, is primarily engaged in trade related and other financing transactions involving directly or indirectly these countries and regions. Some of these countries and regions do not have diplomatic or trade relations with other countries in the world and some of them may be subject to trade or economic sanctions imposed by some other countries from time to time. China Eximbank is mandated to promote business activities and commercial transactions of PRC companies in the international markets, and to promote sino-foreign economic and trade cooperation in compliance with the PRC laws and with international obligations that the PRC has undertaken. There can be no assurance that China Eximbank will not engage in trade related and other financing transactions involving these countries and regions or that trade related or other financing transactions involving these countries and regions will not increase in the future.

China Eximbank in its operations will continue to be subject to volatility in global financial markets, fluctuations in foreign currency exchange rates, volatility of liquidity in global financial markets, uncertainties in monetary policies of major economies, and the uncertain global economic and political outlook in the future as in the recent past. Any adverse changes in the global financial markets and macro-economic environment and market conditions may adversely affect China Eximbank's business, financial condition and results of operations, which in turn may adversely affect China Eximbank's ability to service its Notes and to satisfy its other obligations under the Notes.

Since 2018, the uncertainty to global markets (including the U.S.-China trade tensions and the outbreak of COVID-19 pandemic) has impacted business and financial market sentiment, influenced financial market volatility, and slowed investment and trade. Furthermore, the recent action of Russian military forces and support personnel in Ukraine has escalated tensions between Russia and the U.S., NATO, the EU and the U.K. The U.S. has imposed, and is likely to impose material additional, financial and economic sanctions and export controls against certain Russian organizations and/or individuals, with similar actions either implemented or planned by the EU and the U.K. and other jurisdictions. The situation in Eastern Europe have led to significant volatility in the global capital markets and on the global economy. As a result, China Eximbank's business, results of operations, financial condition and prospects may be affected by such geo-political conflicts and changes in global macro-economic, geopolitical and other challenges.

China Eximbank's business, financial condition and results of operations may be affected by deregulation of interest rates

In recent years, the PRC has adopted measures to liberalise the PRC's interest rate system. In October 2015, the PRC eliminated restrictions in respect of the maximum interest rate for deposits for commercial banks and rural cooperative financial institutions. Subsequent to the RMB's inclusion in the Special Drawing Right (the "SDR") basket of the International Monetary Fund on October 1, 2016, it is believed that the PRC will further let the market determine the pricing of the interest rate, including the loan prime rate. Since 2017, the People's Bank of China's monetary policies have been stable and neutral. The policies have effectively constrained leverage ratio in the financial system, while maintaining steady and rapid economic growth. The liquidity of the banking system has been stable. The scale of monetary credit and social financing has been growing steadily and the interest rate is generally moderate. It is uncertain at present how the PRC may carry out the reform of its interest rate regime. Further liberalisation or change in the interest rate regime in the PRC may affect the interest income from China Eximbank's Renminbi-denominated loans and have an impact on China Eximbank's business, financial condition and results of operations.

China Eximbank's business in certain countries that are the subject of economic sanctions imposed by the United Nations, the U.S., the European Union and the governmental authorities of other jurisdictions might adversely affect your investment in the Notes

As a policy bank solely owned by the PRC government, China Eximbank conducts its business in line with the PRC government policies to facilitate the export and import of capital products and assists PRC companies in their offshore investments and business operations. China Eximbank has conducted its business and may conduct business in the future in countries that are the subject of economic sanctions imposed by the United Nations, the U.S., the European Union (the "EU") and the governmental authorities of other jurisdictions from time to time. According to China Eximbank, its business in countries that are currently the subject of economic sanctions imposed by the United Nations, the U.S., the EU and the governmental authorities of other jurisdictions represents an insignificant percentage of its consolidated assets, revenues and profits. The proceeds received from the Notes will not be used in breach of any applicable economic sanctions. The fact that China Eximbank's business in certain countries that are the subject of such economic sanctions might adversely affect your investment in the Notes.

China Eximbank may be subject to risks presented by fluctuations in exchange rates between the Renminbi and other currencies, particularly the U.S. dollar

China Eximbank is exposed to risks arising from exposure of foreign currency exchange. The PRC has been reforming its exchange rate system over the years, largely by enlarging the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi around the central parity rate. At present, the People's Bank of China has authorised the China Foreign Exchange Trade System to announce its central parity rate for Renminbi against various foreign currencies through a weighted averaging of the quotes from the market makers. See "Exchange Rate Information." The PRC government may further reform its exchange rate system, including making the Renminbi freely convertible in the future. Since 2017, the bilateral exchange rate elasticity between the Renminbi and the US dollar has been further strengthened. The characteristics of two-way floating are more significant. The exchange rate of Renminbi is generally expected to remain stable, thus the exchange rate risk of China Eximbank is stable. Future reformation of the exchange rate system in the PRC may lead to fluctuations of Renminbi against the U.S. dollar, which may affect the value of China Eximbank's earnings.

China Eximbank's accounting principles and practices may differ from those in the United States and other jurisdictions

China Eximbank prepares and presents its consolidated financial statements in accordance with the accounting principles and practices set forth in the section entitled "Financial Statements of China Eximbank" below, which

may differ in material respects from generally accepted accounting principles in the United States and other jurisdictions.

China Eximbank has not identified the differences between its accounting principles and practices and those accounting principles generally accepted in the United States and other jurisdictions. Although China Eximbank has provided a summary of certain significant differences between the PRC accounting standards and the International Financial Reporting Standards issued by the International Accounting Standards Board (“IFRS”) in this Offering Circular, China Eximbank has not quantified the effect of applying IFRS to its financial information. In making an investment decision, investors must make their own judgement in assessing the financial information included in China Eximbank’s consolidated financial information, and investors should consult their own professional advisers, if necessary, to understand the differences between China Eximbank’s accounting principles and practices and the generally accepted accounting principles of the United States and other jurisdictions that they are familiar with and how those differences might affect China Eximbank’s financial information.

RISKS RELATING TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES

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

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

An optional redemption feature is likely to limit the market value of Notes. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. An Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At such times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Dual currency Notes

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

- the market price of such Notes may be volatile; and
- payment of principal or interest may occur at a different time or in a different currency than expected.

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

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

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

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

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

Inverse floating rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as the euro interbank offered rate (“EURIBOR”). The market values of such Notes are typically more

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

The regulation and reform of “benchmark” rates of interest and indices may adversely affect the value of Notes linked to or referencing such “benchmarks”

Interest rates and indices which are deemed to be or used as “benchmarks” (including EURIBOR) are the subject of recent national, international regulatory and other regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Note linked to or referencing such a benchmark.

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

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

More broadly, any of the international or national reforms or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a benchmark.

Future discontinuance of certain benchmark rates (for example, EURIBOR) may adversely affect the value of Floating Rate Notes which are linked to or which reference any such benchmark rate

Work-streams are underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fall-back by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology

to create a term rate). On September 13, 2018, the working group on euro risk-free rates recommended Euro Short-term Rate (“€STER”) as the new risk free rate. €STER is expected to be published by the European Central Bank (the “ECB”) by October 2019. In addition, the euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On May 11, 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

These reforms and other pressures may cause one or more interest rate benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted.

Investors should be aware that, if a benchmark rate were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes which are linked to or which reference such benchmark rate will be determined for the relevant period by the fallback provisions applicable to such Notes. The Terms and Conditions of the Notes provide for certain fallback arrangements in the event that a published benchmark, such as EURIBOR, (including any page on which such benchmark may be published (or any successor service)) becomes unavailable.

If the relevant Issuer (in consultation with the Agent) determines that a Benchmark Event (as defined in the Terms and Conditions of the Notes) has occurred, then such Issuer shall use reasonable endeavours to appoint an Independent Adviser for the purposes of determining the relevant Successor Reference Rate or Alternative Reference Rate and, in each case, if applicable, an Adjustment Spread (each as defined in Condition 4). If the relevant Issuer is unable to appoint an Independent Adviser in a timely manner or if the Independent Adviser and such Issuer cannot agree upon, or cannot select, the relevant Successor Reference Rate or the Alternative Reference Rate, the relevant Issuer may determine a replacement rate, provided that if such Issuer is unable or unwilling to determine the relevant Successor Reference Rate or the Alternative Reference Rate, the further fallback provisions applicable to such Notes and described in the Terms and Conditions of the Notes and the Agency Agreement shall apply.

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

Furthermore, if the relevant Issuer is unable to appoint an Independent Adviser or if such Issuer fails to agree the relevant Successor Reference Rate or an Alternative Reference Rate or Adjustment Spread, if applicable, with the Independent Adviser, the relevant Issuer may have to exercise its discretion to determine (or to elect not to determine) the relevant Alternative Reference Rate or Adjustment Spread, if applicable in a situation in which it is presented with a conflict of interest.

In addition, the relevant Independent Adviser may also determine (acting in good faith and in a commercially reasonable manner) that other amendments to the Terms and Conditions of the Notes are necessary in order to

follow market practice in relation to the relevant Successor Reference Rate or Alternative Reference Rate (as applicable) and to ensure the proper operation of the relevant Successor Reference Rate or Alternative Reference Rate (as applicable).

No consent of the Noteholders shall be required in connection with effecting any relevant Successor Reference Rate or Alternative Reference Rate (as applicable) or any other related adjustments and/or amendments described above.

If (i) the Independent Adviser appointed by the relevant Issuer, or (ii) the relevant Issuer, as the case may be, fails to make the necessary determination, the ultimate fallback of interest for a particular Interest Accrual Period (as defined in the Terms and Conditions of the Notes) may result in the rate of interest for the last preceding Interest Accrual Period being used for such Interest Accrual Period and all subsequent Interest Accrual Periods. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the relevant screen page. In addition, due to the uncertainty concerning the availability of successor rates and alternative rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the relevant Issuer to meet its obligations under the Floating Rate Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes. Investors should note that, in the case of Relevant Notes, the relevant Independent Adviser and the relevant Issuer will have discretion to adjust the relevant Successor Reference Rate or Alternative Reference Rate (as applicable) in the circumstances described above. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholder, any such adjustment will be favourable to each Noteholder.

Investors should consider all of these matters when making their investment decision with respect to the relevant Floating Rate Notes.

The use of Secured Overnight Financing Rate (“SOFR”) as a reference rate is subject to important limitations.

The rate of interest on the Floating Rate Notes may be calculated on the basis of SOFR (as further described under Condition 5(b)(iii)(C) of the Terms and Conditions of the Notes).

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

As SOFR is an overnight funding rate, interest on SOFR-based Notes with interest periods longer than overnight will be calculated on the basis of either the arithmetic mean of SOFR over the relevant interest period or compounding SOFR during the relevant interest period. As a consequence of this calculation method, the amount of interest payable on each interest payment date will only be known a short period of time prior to the

relevant interest payment date. Noteholders therefore will not know in advance the interest amount which will be payable on such Notes.

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

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

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

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

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

The use of SOFR as a reference rate for bonds is relatively nascent, and may be subject to change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates. Notes referencing SOFR may have no established trading market when issued, and an established trading market may never develop or may not be

very liquid which, in turn, may reduce the trading price of such Notes or mean that investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. Investors should consider these matters when making their investment decision with respect to Notes referencing SOFR.

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

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

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

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

RISKS RELATING TO THE NOTES GENERALLY

Set out below is a brief description of certain risks relating to the Notes generally:

Investment in the Notes is subject to China Eximbank's creditworthiness

China Eximbank is a policy bank organised under the laws of the PRC. When purchasing the Notes, investors will be indirectly relying upon China Eximbank's creditworthiness despite the credit support pledged by the PRC government to China Eximbank (See also "*Risk Factors – Risks Relating to China Eximbank – The PRC government does not guarantee the Notes*"). There is no assurance that China Eximbank's creditworthiness will not decline as a result of either internal or external factors, such as China Eximbank's results of operations or general macroeconomic factors. If China Eximbank becomes insolvent or defaults on its obligations under the Notes, investors can only claim against China Eximbank as an unsecured creditor in the Notes. In the worst case scenario, investors may lose all of the value of their investment.

Claims against the Issuer under the Notes are effectively subordinated to all China Eximbank's secured debts

Payments under the Notes are effectively subordinated to all China Eximbank's secured debts to the extent of the value of the assets securing such debts. The effect of this subordination is that, in the event of a bankruptcy, liquidation, dissolution, reorganisation or similar proceeding involving China Eximbank, the assets of China Eximbank could not be used to pay investors under the Notes until after all secured claims against China Eximbank have been fully paid.

The Notes may not be a suitable investment for all investors

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

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. A resolution in writing may be effected in connection with any matter affecting the interests of Noteholders, including the modification of the Terms and Conditions of the Notes, that would otherwise be required to be passed at a meeting of Noteholders satisfying the quorum in accordance with the provisions of the Fiscal Agency Agreement, and shall for all purposes take effect as a resolution passed at a meeting of Noteholders duly convened and held. The Terms and Conditions of the Notes also provide that the Fiscal Agent may, without the consent of Noteholders, agree to any modification of the Terms and Conditions of the Notes which is not materially prejudicial to the interests of the Noteholders, is of a formal, minor or technical nature or is made to correct a manifest error as permitted under the Conditions.

A change in English law which governs the Notes may adversely affect Noteholders

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

The Notes may be represented by one or more Global Notes or a Global Certificate and holders of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System(s)

Notes issued under the MTN Programme may be represented by one or more Global Notes or Global Certificates. Such Global Notes or Global Certificates will be deposited with a common depositary for Euroclear and Clearstream, lodged with the CMU, or deposited with the Custodian and registered in the name of Cede & Co. as nominee for the DTC (each of Euroclear, Clearstream, the CMU and DTC, a “**Clearing**

System”). Except in the circumstances described in the relevant Global Note or Global Certificate, investors will not be entitled to receive Definitive Notes. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes or Global Certificate, investors will be able to trade their beneficial interests only through the Clearing Systems and the relevant Issuer will discharge its payment obligations under the Notes by making payments to the common depositary for Euroclear and Clearstream, to the relevant paying agent in the case of the CMU, or to, or to the order of, DTC’s nominee, as the case may be, for distribution to their account holders. A holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System(s) to receive payments under the relevant Notes. The relevant Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates. Holders of beneficial interests in the Global Notes or Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System(s) to appoint appropriate proxies.

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

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

RISKS RELATING TO THE MARKET GENERALLY

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

Notes issued under the MTN Programme have no current active trading market and may trade at a discount to their initial offering price and/or with limited liquidity

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls may result in investors receiving less interest or principal than expected

The relevant Issuer will pay principal and interest on the Notes in the currency specified in the relevant Pricing Supplement (the “**Specified Currency**”). This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (i) the Investor’s Currency equivalent yield on the Notes, (ii) the Investor’s Currency equivalent value of the principal payable on the Notes and (iii) the Investor’s Currency equivalent market value of the Notes.

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

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

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

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Developments in other markets may adversely affect the market price of Notes

The market price of Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for Notes will, to varying degrees, be influenced by economic, political, social 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 issuers in other countries, including the PRC. Since the global financial crisis of 2008 and 2009, the international financial markets have experienced significant volatility. In particular, the COVID-19 pandemic has caused stock markets worldwide to lose significant value since February 2020. If similar developments occur in the international financial markets in the future, the market price of Notes could be adversely affected.

Legal investment considerations may restrict certain investments

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

RISKS RELATING TO RENMINBI-DENOMINATED NOTES

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

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

The current size of Renminbi-denominated financial assets outside the PRC is limited. Renminbi business participating banks do not have direct Renminbi liquidity support from the People's Bank of China. The RMB Clearing Bank only has access to onshore liquidity support from the People's Bank of China to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement and for individual customers with accounts in Hong Kong of up to RMB20,000 per person per day. The RMB Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from the offshore market to square such open positions.

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

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

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

The Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between the Renminbi and foreign currencies despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts. Participating banks in Hong Kong have been permitted to engage in the settlement of Renminbi trade transactions under a pilot scheme introduced in July 2009. This represents a current account activity. The pilot scheme was extended in August 2011 to cover the whole nation and to make Renminbi trade and other current account item settlement

available in all countries worldwide. While the pilot scheme allows enterprises to settle the import trade in goods, cross border service trade and other current account activities in Renminbi, only limited number of enterprises could settle their export trade in goods in Renminbi under the pilot scheme. On February 3, 2012, the Ministry of Finance, the Ministry of Commerce, the People's Bank of China, the China Banking Regulatory Commission which has been merged into the National Administration of Financial Regulation (previously known as the China Banking and Insurance Regulatory Commission), the General Administration of Customs and the State Administration of Tax jointly issued the Circular on Issues Concerning Administration over Enterprises Engaging in Renminbi Settlement of Export Trade in Goods (關於出口貨物貿易人民幣結算企業管理有關問題的通知), extending the Renminbi settlement to cover all duly qualified export enterprises trading in goods.

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

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

On October 13, 2011, the People's Bank of China issued the Measures on Administration of the RMB Settlement in relation to Foreign Direct Investment (外商直接投資人民幣結算業務管理辦法) (the “**PBOC RMB FDI Measures**”), which was amended on June 5, 2015 to roll out the People's Bank of China's detailed RMB FDI administration system, which covers almost all aspects of RMB FDI, including capital injection, payment of purchase price in the acquisition of PRC domestic enterprises, repatriation of dividends and distribution, as well as RMB denominated cross-border loans. Under the PBOC RMB FDI Measures, special approval for RMB FDI and shareholder loans from the People's Bank of China which was previously required is no longer mandatory. On June 14, 2012, the People's Bank of China further issued the implementing rules for the PBOC RMB FDI Measures, which was amended on June 5, 2015 to provide more detailed rules relating to cross-border Renminbi direct investment and settlement.

On July 5, 2013, the People's Bank of China promulgated the Notice on Simplifying the Procedures of Cross-border Renminbi Business and Improving Relevant Policies (關於簡化跨境人民幣業務流程和完善有關政策的通知) (the “**Notice**”), which simplifies the operating procedures on current account cross-border Renminbi settlement, provision of Renminbi outbound loans and Renminbi cross-border security in favour of offshore entities by onshore non-financial institutions, and further publishes policies with respect to bank card

related cross-border Renminbi clearing and issuance of offshore Renminbi bonds by onshore non-financial institutions. The Notice intends to improve the efficiency of cross-border Renminbi settlement and facilitate the use of cross-border Renminbi settlement by banks and enterprises. On January 5, 2018, the People's Bank of China announced the Notice on Further Improving the Policy of Cross-border Renminbi Business to Promote Trade and Investment Facilitation (關於進一步完善人民幣跨境業務政策促進貿易投資便利化的通知), which further supports the use of Renminbi for cross-border settlement by enterprises and facilitate RMB-denominated direct investment by overseas investors.

On October 23, 2019, SAFE issued the Notice of SAFE on Further Facilitating Crossborder Trade and Investment (國家外匯管理局關於進一步促進跨境貿易投資便利化的通知), which was amended on December 4, 2023 to expand the use of foreign exchange capital to domestic equity investment area. Non-investment foreign-funded enterprises are allowed to lawfully make domestic equity investments by using their capital on the premise of no violation of prevailing special administrative measures for access of foreign investments (negative list) and the authenticity and compliance with the regulations of domestic investment projects.

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

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

All payments to investors in respect of Notes denominated in Renminbi will be made solely (i) for so long as such Notes are represented by Global Notes or Global Certificates, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and procedures of the relevant clearing system, or (ii) for so long as such Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with the prevailing rules and regulations. No Issuer can be required to make payment by any other means (including in any currency or by transfer to a bank account in the PRC).

USE OF PROCEEDS

China Eximbank intends to use the net proceeds from the sale of the Notes for general corporate purposes or otherwise disclosed in the relevant Pricing Supplement.

BUSINESS DESCRIPTION OF CHINA EXIMBANK

China Eximbank was established on April 26, 1994 pursuant to the Special Decree as a policy bank solely owned by the PRC government. Pursuant to the Articles of Association, China Eximbank is a state-funded and state-owned policy bank under the direct leadership of the State Council, the highest institution of the PRC government administration. It is headquartered in Beijing and is the government export credit agency in the PRC. China Eximbank is subject to the supervision and direction of the National Development and Reform Commission, the Ministry of Finance, the Ministry of Commerce, the People's Bank of China and the National Administration of Financial Regulation with respect to its business activities.

Pursuant to the Articles of Association, the PRC government has pledged its credit support for the debt securities of China Eximbank, including the Notes offered hereby. In addition, pursuant to the Special Decree, the People's Bank of China is authorised and obligated to provide short-term loans to China Eximbank in the event that China Eximbank experiences any liquidity shortages. However, neither the credit support pledged by the PRC government nor the obligation of the People's Bank of China to make such loans to China Eximbank constitutes a guarantee of any such debt securities of China Eximbank, including the Notes, and is therefore not enforceable against the PRC government or the People's Bank of China by, and does not confer any right under or in respect of the Articles of Association or the Special Decree upon, any investor in such debt securities, including the Notes.

With Chinese government's credit support, China Eximbank plays a crucial role in promoting steady economic growth and structural adjustment, supporting foreign trade and the "going global" endeavor. It is committed to reinforcing financial support to key sectors and weak links in the Chinese economy to ensure sustainable and healthy economic and social development.

China Eximbank's main mandate is to facilitate China's national development strategies, and build a policy bank which has clear-cut market positioning, well-defined business portfolio, unique functions, sufficient capital, good governance, strict internal control, safe operation, high-quality service and sustainable development capability.

China Eximbank mainly supports the following areas:

- (1) foreign trade and cross-border investment, to support trade of goods, labor and technology between the domestic market of China and the overseas markets, Chinese companies and their products and services to go global, as well as areas which are conducive to enhancing international competitiveness and opening-up level of China;
- (2) the Belt and Road initiative, cooperation of international industrial capacity and equipment manufacturing, infrastructure interconnection and energy resources, and other areas of international cooperation;
- (3) science and technology, cultural industry and "going global" endeavors of small and medium enterprises; and
- (4) other areas of foreign trade and endeavours to "go global" and facilitation of an open economy in conformity with China's national development strategies and policies.

According to the Articles of Association, China Eximbank shall raise funds in the following ways: (a) use of capital, (b) domestic and overseas issuance of financial bonds and other negotiable securities (excluding stocks), (c) interbank borrowing and lending, deposits by banks and repo business, (d) deposit from credit customers, and (e) other ways approved by the State Council. The bonds issued by China Eximbank are defined as policy-based financial bonds in nature, with credit support from the Chinese government.

China Eximbank is also a designated on-lending agent for the PRC central government. China Eximbank has on-lent to PRC end-users credits made available to the PRC central government by foreign governments through financial institutions. In addition, China Eximbank acts as the only designated lending institution for the PRC central government in connection with concessional loans to borrowers in developing countries selected by the PRC government. China Eximbank is protected against any loss in principal with respect to its concessional loan operations by a concessional loan reserve fund established by the PRC government for the exclusive use of China Eximbank. As the lender of these concessional loans on behalf of the PRC government, China Eximbank receives fiscal support from the Ministry of Finance to compensate for certain losses in interest receipts on such concessional loans.

As of the date of this Offering Circular, China Eximbank has 32 domestic operational branches on the Chinese mainland (namely, the Beijing Branch, the Shanghai Branch, the Shenzhen Branch, the Jiangsu Branch, the Liaoning Branch, the Sichuan Branch, the Shandong Branch, the Zhejiang Branch, the Hunan Branch, the Chongqing Branch, the Shaanxi Branch, the Hubei Branch, the Heilongjiang Branch, the Guangdong Branch, the Yunnan Branch, the Ningbo Branch, the Fujian Branch, the Anhui Branch, the Xinjiang Branch, the Xiamen Branch, the Tianjin Branch, the Jiangxi Branch, the Hainan Branch, the Jilin Branch, the Hebei Branch, the Gansu Branch, the Henan Branch, the Inner Mongolia Branch, the Shanxi Branch, the Guangxi Branch, the Guizhou Branch, and the Kashgar Branch) and one domestic representative office in Hong Kong. China Eximbank also has six overseas institutions, namely, the Paris Branch, Representative Office for Southern and Eastern Africa, St. Petersburg Representative Office, Representative Office for Northern and Western Africa, Poland Representative Office and Chile Representative Office. These offices, located near various project sites, enhance China Eximbank's ability to manage and monitor its credit projects. As of December 31, 2023, China Eximbank (including its Paris Branch) maintained correspondent banking relationships with 1,042 bank head offices and branches/subsidiaries in 142 countries and regions across the world. Some of these correspondent banks participate in China Eximbank's international settlement and loan operations.

Capitalisation

The following table sets forth the audited capitalisation of China Eximbank as of December 31, 2023, which, unless otherwise noted, did not take into account China Eximbank's operations and financial activities subsequent to the date as indicated:

	As of December 31, 2023
	<i>(in millions of RMB)</i>
Long-term Debt⁽¹⁾:	
Foreign Debt	67,169
Domestic Debt.....	4,113,755
Total Long-term Debt ⁽²⁾	<u>4,180,924</u>
Capital Accounts:	
Paid-in Capital.....	150,000
Capital Reserves.....	141,507
Surplus Reserves	2,313
General Reserves.....	18,919
Undistributed Profits.....	17,192
Other Comprehensive Income.....	982

**As of December 31,
2023**

	<i>(in millions of RMB)</i>
Non-controlling Interests	2,225
Total Non-controlling Equity	393,014

Notes:

- (1) Long-term debt includes all debt with a maturity of one year or longer. This capitalisation table excludes the portion of long-term debt as of December 31, 2023, maturing prior to December 31, 2024. As of December 31, 2023, China Eximbank had total outstanding long-term debt (including the current portion) of approximately RMB5,223.31 billion.
- (2) The following table sets forth the principal repayment schedule with respect to total outstanding long-term debt as of December 31, 2023:

Year	RMB
	<i>(in thousands)</i>
2025	814,797,357
2026	674,594,306
Thereafter	2,691,532,916

Subsequent to December 31, 2023, China Eximbank had issued Renminbi-denominated onshore securities in aggregate principal amounts of RMB641.85 billion. Except as otherwise disclosed in this Offering Circular, there has not been any material change in the capitalisation of China Eximbank since December 31, 2023.

Selected Financial Information

The following table presents summary historical consolidated financial information of China Eximbank as of and for the years ended December 31, 2021, 2022 and 2023. Since this information is only a summary, you should read it in conjunction with the complete consolidated financial statements included under “Financial Accounting Matters” beginning on page F-1 in this Offering Circular. Although there are no regulations promulgated by the Ministry of Finance requiring that the consolidated financial statements of China Eximbank be audited by external auditors, China Eximbank has entrusted Baker Tilly China Certified Public Accountants, certified public accountants in the PRC, to audit the consolidated financial statements as of and for the years ended December 31, 2021 and 2022, and entrusted BDO China Shu Lun Pan Certified Public Accountants LLP, certified public accountants in the PRC, to audit the consolidated financial statements as of and for the year ended December 31, 2023.

This summary does not include any information from the balance sheet of China Eximbank’s on-lending operations with respect to central or provincial governmental on-lending borrowers or on-lendings guaranteed by central or provincial governmental agencies, which is accounted for on a stand-alone basis. Such on-lending balance sheet is not consolidated with the balance sheet of China Eximbank. See “Financial Accounting Matters – Report of General Manager (Financial Management and Accounting Department) – Supplementary Information – Balance Sheet of Onlending Loans of Foreign Governments”.

China Eximbank Consolidated Income Statements

	Year ended December 31,			
	2021	2022	2023	
	RMB	RMB	RMB	USD
	(in millions)			
Operating Revenue	25,854	31,515	23,308	3,283
Net Interest Income.....	6,843	19,791	25,440	3,583
Interest Income	153,370	173,433	198,390	27,943
Interest Expenses	(146,527)	(153,642)	(172,950)	(24,359)
Net Fee and Commission Income	3,471	2,518	2,296	323
Fee and Commission Income.....	4,271	3,402	3,090	435
Fee and Commission Expenses.....	(800)	(884)	(794)	(112)
Investment Income.....	6,912	15,876	5,000	704
Including: Investment Income from Associates and Joint Ventures	197	10	(306)	(43)
Net gains on derecognition of debt instruments at amortized cost	1,412	1,656	1,316	185
Gain/(Loss) from Disposal of Assets.	(24)	(2)	-	-
Gain/(Loss) from Changes in Fair Value .	(9,547)	(57,539)	1,438	203
Exchange Gains/(Loss)	18,102	50,744	(10,960)	(1,544)
Other Operating Income	42	48	66	9
Other Gain	55	79	28	4
Operating expenses.....	(15,179)	(20,281)	(12,223)	(1,722)
Taxes and Surcharges	(1,043)	(1,302)	(1,433)	(202)
Operating and Administrative Expenses..	(4,175)	(4,559)	(5,131)	(723)
Credit Impairment Losses	(9,671)	(14,367)	(5,635)	(794)
Other Assets Impairment Losses.....	(269)	(18)	-	-
Other Operating Cost.....	(21)	(35)	(24)	(3)
Operating Profit.....	10,675	11,234	11,085	1,561
Add: Non-Operating Income	54	18	13	2
Less: Non-Operating Expense	(186)	(377)	(95)	(13)
Profit Before Income Tax	10,543	10,875	11,003	1,550
Less: Income Tax Expenses.....	(2,738)	(2,815)	(2,165)	(305)
Net Profit	7,805	8,060	8,838	1,245
Net Profit Attributable to Equity holders of the Bank.....	7,560	8,072	8,799	1,239
Non-controlling Interests	245	(12)	39	5
Other Comprehensive Income	185	(85)	634	89

	Year ended December 31,			
	2021	2022	2023	
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>USD</i>
			<i>(in millions)</i>	
Total Comprehensive Income	7,991	7,975	9,472	1,334
Total Comprehensive Income				
Attributable to the Bank	7,746	7,987	9,433	1,329
Total Comprehensive Income				
Attributable to Non-controlling				
Interests	245	(12)	39	5

China Eximbank Consolidated Balance Sheet

	Year ended December 31,			
	2021	2022	2023	
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>USD</i>
			<i>(in millions)</i>	
Assets				
Cash and Deposits with Central Bank	17,593	42,552	22,899	3,225
Deposits with Banks and Other Financial				
Institutions	279,423	16,135	17,415	2,453
Placements with Banks and other				
Financial Institutions	213,407	207,081	223,036	31,414
Derivative Financial Assets	14,865	2,099	2,093	295
Financial Assets Purchased under Resale				
Agreements	86,158	127,789	273,208	38,481
Loans and Advances to Customer	4,334,891	4,912,936	5,191,802	731,250
Long-term Equity Investment	8,575	7,773	7,200	1,014
Financial Assets Held for Trading	141,126	129,492	155,844	21,950
Debt Investments	85,612	230,560	265,713	37,425
Other Debt Investments	220,457	207,158	173,066	24,376
Investment Properties	387	421	424	60
Fixed Assets	3,990	3,594	3,306	466
Construction in Progress	—	15	1	0.14
Intangible Assets	242	1,105	845	119
Right-of-Use Asset	746	1,432	979	138
Deferred Income Tax Assets	33,729	42,892	41,603	5,860
Other Assets	5,382	3,983	6,502	916
Total Assets	<u>5,446,583</u>	<u>5,937,017</u>	<u>6,385,936</u>	<u>899,440</u>
Liabilities				

	Year ended December 31,			
	2021	2022	2023	
	RMB	RMB	RMB	USD
	(in millions)			
Borrowings from Central Bank.....	216,687	250,253	292,678	41,223
Due to Banks and Other Financial Institutions	408,062	159,643	169,448	23,866
Placements from Banks and other Financial Institutions	53,695	52,712	30,032	4,230
Financial Liabilities Held for Trading	426	477	448	63
Derivative Financial Liabilities.....	2,000	42,580	23,662	3,333
Financial Assets Sold Under Repurchase Agreement	29,388	9,495	25,009	3,522
Due to Customers	169,404	203,017	216,522	30,496
Employee Benefits Payable	177	242	292	41
Taxes Payable	2,506	17,508	2,833	399
Provisions	3,464	3,189	4,186	590
Debt Securities Issued.....	4,153,155	4,792,346	5,208,530	733,606
Leases liabilities	626	1,321	850	120
Deferred Income Tax Liabilities	5,360	1,506	2,108	297
Other Liabilities.....	21,154	16,874	16,324	2,299
Total Liabilities.....	5,066,104	5,551,163	5,992,922	844,085
Owners' Equity				
Paid-in Capital	150,000	150,000	150,000	21,127
Other Equity Instruments.....	59,876	59,876	59,876	8,433
Perpetual Debt	59,876	59,876	59,876	8,433
Capital Reserve.....	141,507	141,507	141,507	19,931
Other Comprehensive Income	433	348	982	138
Surplus Reserves.....	504	1,311	2,313	326
General Reserves	18,919	18,919	18,919	2,665
Undistributed Profit	6,450	11,555	17,192	2,421
Total Equity Attributable to the Bank.....	377,688	383,516	390,789	55,041
Non-controlling Interests	2,792	2,338	2,225	313
Total Non-controlling Equity.....	380,480	385,854	393,014	55,355
Total Liabilities and Owners' Equity.....	5,446,583	5,937,017	6,385,936	899,440

Purpose and Authority

China Eximbank was established on April 26, 1994 pursuant to the Special Decree as a policy bank solely owned by the PRC government. Pursuant to the Articles of Association, China Eximbank is a state-funded and state-owned policy bank under the direct leadership of the State Council, the highest institution of the PRC government administration. It is headquartered in Beijing and is the government export credit agency in China.

China Eximbank is subject to the supervision and direction of the National Development and Reform Commission, the Ministry of Finance, the Ministry of Commerce, the People's Bank of China and the National Administration of Financial Regulation with respect to its business activities.

With Chinese government's credit support, China Eximbank plays a crucial role in promoting steady economic growth and structural adjustment, supporting foreign trade and the "going global" endeavor. It is committed to reinforcing financial support to key sectors and weak links in the Chinese economy to ensure sustainable and healthy economic and social development.

China Eximbank's main mandate is to facilitate China's national development strategies, and build a policy bank which has clear-cut market positioning, well-defined business portfolio, unique functions, sufficient capital, good governance, strict internal control, safe operation, high-quality service and sustainable development capability..

China Eximbank mainly supports the following areas:

- (1) foreign trade and cross-border investment, to support trade of goods, labor and technology between the domestic market of China and the overseas markets, Chinese companies and their products and services to go global, as well as areas which are conducive to enhancing international competitiveness and opening-up level of China;
- (2) the Belt and Road initiative, cooperation of international industrial capacity and equipment manufacturing, infrastructure interconnection and energy resources, and other areas of international cooperation;
- (3) science and technology, cultural industry and "going global" endeavors of small and medium enterprises; and
- (4) other areas of foreign trade and endeavours to "go global" and facilitation of an open economy in conformity with China's national development strategies and policies.

The business scope of China Eximbank is as follows:

- short-term, mid-term and long-term loans approved for foreign trade and the "going global" endeavours, including export credit, import credit, loans for offshore contracts and overseas investment, Chinese government concessional loans and preferential export buyer's credit;
- special loans designated by the State Council;
- on-lending loans (donations) from foreign governments and international financial institutions whose risks are undertaken by China Eximbank as well as related Renminbi counterpart loans;
- deposit from credit customers;
- issuance of financial bonds;
- domestic and international settlement service and foreign exchange settlement;
- trade finance including letter of guarantee, letter of credit, forfeiting, etc.;
- entrusted loans related to foreign trade;
- guarantees related to foreign trade;
- approved foreign exchange business;
- bond trading (or on a commission basis) and underwriting;

- inter-bank borrowing and lending and inter-bank placement;
- credit record investigation, consultation, evaluation and witness services related to finance;
- bill acceptance and discount;
- agent service of collection, payment and insurance;
- trading in financial derivatives and/or on a commission basis;
- asset-backed securitization;
- corporate financial advisory services;
- organizing or participating in syndicated loans;
- banking operations of overseas branches permitted by local laws and with the authorization of China Eximbank;
- equity investment and leasing business through subsidiary companies as duly approved; and
- other businesses approved by the banking regulatory authority under the State Council.

As of the date of this Offering Circular, China Eximbank has 32 domestic operational branches on the Chinese mainland (namely, the Beijing Branch, the Shanghai Branch, the Shenzhen Branch, the Jiangsu Branch, the Liaoning Branch, the Sichuan Branch, the Shandong Branch, the Zhejiang Branch, the Hunan Branch, the Chongqing Branch, the Shaanxi Branch, the Hubei Branch, the Heilongjiang Branch, the Guangdong Branch, the Yunnan Branch, the Ningbo Branch, the Fujian Branch, the Anhui Branch, the Xinjiang Branch, the Xiamen Branch, the Tianjin Branch, the Jiangxi Branch, the Hainan Branch, the Jilin Branch, the Hebei Branch, the Gansu Branch, the Henan Branch, the Inner Mongolia Branch, the Shanxi Branch, the Guangxi Branch, the Guizhou Branch, and the Kashgar Branch) and one domestic representative office in Hong Kong. China Eximbank also has six overseas institutions, namely, the Paris Branch, Representative Office for Southern and Eastern Africa, St. Petersburg Representative Office, Representative Office for Northern and Western Africa, Poland Representative Office and Chile Representative Office. These offices, located near various project sites, enhance China Eximbank's ability to manage and monitor its credit projects. As of December 31, 2023, China Eximbank (including its Paris Branch) maintained correspondent banking relationships with 1,042 bank head offices and branches/subsidiaries in 142 countries and regions across the world. Some of these correspondent banks participate in China Eximbank's international settlement and loan operation.

Relationship with the PRC Government

Government Ownership. As a policy bank under the direct leadership of the State Council, no person other than the PRC government has, or can obtain, a direct or indirect ownership interest or equity participation in China Eximbank. China Eximbank has a registered capital of RMB150 billion.

Government Supervision. China Eximbank's operations are subject to the direct leadership of the State Council and to the additional supervision of the National Development and Reform Commission, the Ministry of Finance, the Ministry of Commerce, the People's Bank of China and the National Administration of Financial Regulation.

The National Development and Reform Commission provides guidance to China Eximbank with respect to China's industrial policies and foreign investment policies. China Eximbank submits its annual consolidated financial statements to the Ministry of Finance for review and approval, in addition to a semi-annual review and discussion of its operations with the ministry. China Eximbank is subject to the supervision of the Ministry of Finance with respect to the foreign government credits on-lending business. The Ministry of Commerce

provides guidance to China Eximbank with respect to China's policies on foreign trade and matters of foreign economic cooperation as well as policies on concessional loans made by China Eximbank. At the end of each year, China Eximbank submits its annual credit and funding plans for the following year to the People's Bank of China for approval. In addition, China Eximbank reports to the People's Bank of China periodically with respect to the implementation of its annual credit and funding plans and any significant issues relating to its credit operations. China Eximbank's finance-related activities are subject to the supervision and direction of the People's Bank of China and the National Administration of Financial Regulation.

According to the Articles of Association, China Eximbank shall establish a board of directors comprising thirteen (13) directors, including three (3) executive directors (chairman of the board included) and ten (10) non-executive directors.

Government Support. The PRC government provides direct and indirect financial support for the business activities of China Eximbank. Following the submission by China Eximbank of its projected annual business operations and sources of funds for such business operations to the Ministry of Finance, the Ministry of Finance determines, on an annual basis in accordance with China Eximbank's funding requirements and in coordination with other relevant PRC central government agencies, the aggregate amount of financial resources to be made available to China Eximbank in support of its credit activities. According to the Articles of Association, China Eximbank shall raise funds in the following ways: (a) use of capital, (b) domestic and overseas issuance of financial bonds and other negotiable securities (excluding stocks), (c) interbank borrowing and lending, deposits by banks and repo business, (d) deposit from credit customers, and (e) other ways approved by the State Council. The bonds issued by China Eximbank are defined as policy-based financial bonds in nature, with credit support from the Chinese government.

In addition, pursuant to the Special Decree, the People's Bank of China is authorised and obligated to provide short-term loans to China Eximbank in the event that China Eximbank experiences any liquidity shortages. Neither the credit support provided by the PRC government nor the obligation of the People's Bank of China to make such loans to China Eximbank constitutes a guarantee of the Notes or its other debt securities, nor a guarantee of China Eximbank's obligations under the Notes or its other debt securities. The credit support is not enforceable against the PRC government or the People's Bank of China by, and does not confer any right under or in respect of the Articles of Association or the Special Decree upon, any investor in the Notes and holders of other indebtedness of China Eximbank.

Designated Lender of Government Concessional Loans. China Eximbank acts as the only designated lending institution for the PRC central government in connection with concessional loans to borrowers in developing countries selected by the PRC government. China Eximbank is protected against any loss in principal with respect to its concessional loan operations by a concessional loan reserve fund established by the PRC government for the exclusive use of China Eximbank. China Eximbank has not experienced any loss in principal over the years with respect to its concessional loan operations that has required utilisation of the reserve fund. The Ministry of Finance has also undertaken to increase its contribution to this reserve fund based on China Eximbank's concessional loan operations. China Eximbank acts as the lender with respect to these concessional loans and receives fiscal support from the Ministry of Finance to compensate for certain losses in interest receipts on such concessional loans.

Government On-lending Agent. China Eximbank is a designated on-lending agent for the PRC central government. China Eximbank has on-lent to PRC end-users credits made available to the PRC central government by foreign governments through their financial institutions. To the extent that the on-lending borrowers are PRC central or provincial governmental agencies or otherwise guaranteed by PRC central or provincial governmental agencies, such on-lending operations are accounted for as off-balance sheet assets. If any such PRC end-user fails to make its payments in a timely manner, China Eximbank is obligated to make timely payments to the relevant foreign governmental lenders or foreign lending financial institutions with its

own funds, subject to subsequent compensation by the Ministry of Finance. The Ministry of Finance typically compensates China Eximbank for such losses with funds derived from its fiscal budget debiting arrangements with local governments that sponsored the end-users or funds from other means.

In connection with the on-lending and management activities for such credits, China Eximbank is entitled to a fee payable by the borrower in the form of a commission. In accordance with the agency arrangements between China Eximbank and the Ministry of Finance, China Eximbank is acting as an agent of the Ministry of Finance in administering these on-lent loans to PRC central or provincial governmental agencies or borrowers guaranteed by PRC central or provincial governmental agencies.

China Eximbank may be required to front funds toward the payment of the principal, interest and foreign bank charges on behalf of the Ministry of Finance in accordance with the loan agreements between the Ministry of Finance and the foreign lenders. In its capacity as such on-lending agent, however, to the extent that the on-lending borrowers are PRC central or provincial governmental agencies or otherwise guaranteed by PRC central or provincial governmental agencies, China Eximbank has historically been fully reimbursed by the Ministry of Finance with respect to all its fronted funds. See the section entitled “Financial Accounting Matters — Report of General Manager (Financial Management and Accounting Department)”. To the extent that the on-lending borrowers are not PRC central or provincial governmental agencies or otherwise guaranteed by PRC central or provincial governmental agencies, China Eximbank will have the right to assess the projects independently, bear the risks in such on-lending operations, and has the final repayment liabilities under the on-lending agency arrangements with the Ministry of Finance. China Eximbank consolidates its on-lending business operations with respect to such projects not directly undertaken or otherwise guaranteed by PRC central or provincial governmental agencies.

Foreign Trade Loans

China Eximbank provides foreign trade loans, including foreign trade loans for goods and services, to borrowers in support of their trade of merchandise, labor and technology between China and foreign countries or regions. As of December 31, 2021, 2022 and 2023, the total outstanding balance of such foreign trade loans was RMB2,187.2 billion, RMB2,644.3 billion and RMB3,015.6 billion, respectively.

The following table sets forth a breakdown of the total outstanding balance of foreign trade loans as of the dates indicated.

	As of December 31,		
	2021	2022	2023
	RMB	RMB	RMB
	(in 100 millions of RMB)		
Trade in Goods Loans	11,896.15	14,040.68	15,569.56
Loans for Export of Goods.....	5,611.25	6,822.05	7,659.97
Export Seller’s Credit	4,524.90	5,674.99	6,513.37
Export Buyer’s Credit.....	1,086.35	1,147.07	1,146.60
Loans for Import of Goods.....	6,284.90	7,218.62	7,909.58
Trade in Services Loans	111.43	148.99	165.23
Loans for Export of Services.....	79.06	105.57	128.79
Export Seller’s Credit	56.54	63.63	46.31

	As of December 31,		
	2021	2022	2023
	RMB	RMB	RMB
	(in 100 millions of RMB)		
Export Buyer's Credit.....	22.52	41.93	82.48
Loans for Import of Services.....	32.38	43.43	36.44
Trade Finance	2,803.90	2,640.23	2,386.65
Loans for the Development of Foreign Trade Enterprises	4,728.75	6,985.24	8,924.05
Loans for the Development of Foreign Trade Industrial Chain	2,331.96	2,437.10	2,765.38
Mao Ying Dai	0.02	0.00⁽¹⁾	0.03
Risk Sharing Onlending Loans for Micro and Small Foreign Trade Enterprises	—	190.34	344.72
Total	21,872.22	26,442.58	30,155.62

Note:

(1) The accurate number is 0.0025.

Loans for Export of Goods. China Eximbank extends loans to PRC sellers in support of their production and export of capital goods for the export markets. China Eximbank may decide to extend such loans to the foreign buyers instead in their purchase and import of the capital goods made in China, with proceeds disbursed directly to the relevant PRC exporter or manufacturer. Depending on the structure of the export project, China Eximbank may also lend to a financial intermediary in the country of the importer, which would on-lend to the foreign importer. Capital goods eligible for such export credit financing include vessels, aircraft, machinery, heavy equipment, power plants and electric products and must contain sufficient eligible PRC content in accordance with the applicable PRC laws and regulations. A portion of a seller's export credits may be used to finance the purchase and import of technology, components and raw materials necessary for its production of the exports. Loans for export of goods extended by China Eximbank also include short-term financings for certain trade receivables in connection with capital goods subject to its export financing program.

Loans for Export of Services. China Eximbank extends loans to PRC sellers in support of their provision and export of technical services, largely in connection with their export of capital goods. China Eximbank may decide to extend such loans to the foreign buyers instead in their purchase and import of the technical services. Services eligible for China Eximbank's export credit financing must also comply with the PRC content eligibility requirements in accordance with the applicable PRC laws and regulations. A portion of seller's export credits may be used to finance the purchase and import of technology necessary for the production of the technical services subject to such exports. Loans for export of services extended by China Eximbank also include short-term financings for certain trade receivables in connection with technical services subject to its export financing program.

Loans for Import of Goods/Loans for Import of Services. China Eximbank extends credits for the import of capital goods, resources, technology and technical services. Since 2007, with the approvals of the National

Development and Reform Commission, the Ministry of Finance, the Ministry of Commerce and the National Administration of Financial Regulation, China Eximbank has been the only PRC bank authorised to provide credit financing for the government-encouraged imports.

Trade Finance. China Eximbank extends credits to support cross-border trade financing and domestic trade financing to the extent one entity is a foreign entity in the underlying transaction. China Eximbank provides trade financing to financial institutions and enterprise customers.

Loans for the Development of Foreign Trade Enterprises. China Eximbank extends credits to qualified foreign trade enterprises to enhance their risk control capabilities and international competitiveness. China Eximbank aims to support the development of foreign trade enterprises by promoting their innovation capabilities and stabilization. China Eximbank provides funding to qualified foreign trade enterprises for their daily operation, as well as investments and procurement of fix assets during the process of research and development, procurement, production, sales and marketing.

Loans for the Development of Foreign Trade Industrial Chain. China Eximbank extends loans to qualified foreign trade enterprises to promote the enhancement of foreign trade foundation, modernization of industrial chain, strengthening of the lagged industries and reinforcement of industry strengths. The goal is to support qualified foreign trade enterprises to better participate in international industry cooperation and achieve healthy development. China Eximbank provides loans to qualified foreign trade enterprises for their daily operation, as well as investments and procurement of fix assets.

Mao Ying Dai. China Eximbank extends loans for small and micro foreign trade enterprises. Mao Ying Dai is an online, automatic and intelligent credit products based on real export data and big data analysis, including order loan, insurance policy loan and tax refund loan.

Risk Sharing Onlending Loans for Micro and Small Foreign Trade Enterprises. China Eximbank extends loans to micro and small foreign trade enterprises to actively implements the policy support initiated by the National Standing Committee. China Eximbank issues wholesale loans to the on-lending commercial banks, who will then on-lend such loans to micro and small foreign trade enterprises with qualified import and export operational performance. With risks being shared between China Eximbank and the on-lending commercial banks, China Eximbank bears certain credit risks of these micro and small foreign trade enterprises. The risk sharing onlending loans for micro and small foreign trade enterprises creates a new risk sharing model under policy financing and commercial financing. It also creates a new financing channel for the micro and small foreign trade enterprises.

Cross-border Investment Loans

China Eximbank provides cross-border investment loans to PRC companies (including PRC holding companies) in support of their overseas investments. As of December 31, 2021, 2022 and 2023, the total outstanding balance of such cross-border investment loans was RMB217.9 billion, RMB210.2 billion and RMB228.8 billion, respectively.

The following table sets forth a breakdown of the total outstanding balance of cross-border investment loans as of the dates indicated.

As of December 31,			
	2021	2022	2023
	RMB	RMB	RMB
(in 100 millions of RMB)			
Indirect Investment Loans.....	377.35	422.59	498.34
Direct Investment Loans	1,795.48	1,672.97	1,784.62
Green Field Investment Loans.....	1,190.58	1,241.47	1,331.55
Brown Field Investment Loans.....	604.90	431.50	453.07
Absorbing Overseas Investment Loans.....	6.19	6.20	4.74
Total.....	2,179.02	2,101.76	2,287.70

Indirect Investment Loans. China Eximbank extends loans to Chinese funded companies (including shareholding companies) that are registered overseas to support their overseas investment (including in Hong Kong, Macao and Taiwan).

Direct Investment Loans. China Eximbank extends loans to Chinese funded companies (including shareholding companies) that are registered overseas to support their overseas investment (including in Hong Kong, Macao and Taiwan).

International Cooperation Loans

China Eximbank provides international cooperation loans to clients in support of their cooperation with foreign countries, financial institutions and companies typically subject to the existence of sovereign guarantees. Such loans are also provided to support overseas projects contracted by PRC companies. As of December 31, 2021, 2022 and 2023, the total outstanding balance of such international cooperation loans was RMB940.1 billion, RMB937.8 billion and RMB956.3 billion, respectively.

The following table sets forth a breakdown of the total outstanding balance of international cooperation loans as of the dates indicated.

As of December 31,			
	2021	2022	2023
	RMB	RMB	RMB
(in 100 millions of RMB)			
Loans for Overseas Project Contracting.....	2,157.62	2,242.15	2,290.63
Loans for International Sovereign Cooperation	5,605.62	6,100.38	6,263.06
Loans for Financial Institution Cooperation	1,211.25	578.87	572.04
On-lending ⁽¹⁾	58.58	61.73	54.70
Other Loans.....	367.59	395.11	382.94
Total	9,400.65	9,378.23	9,563.37

Note:

- (1) The on-lending operations are different from the on-lending transactions accounted for on an off-balance-sheet basis as disclosed in this Offering Circular. In the on-lending operations, China Eximbank will have the right to issue and operate the projects independently.

Loans for Overseas Project Contracting. China Eximbank extends loans to clients to facilitate their overseas contracting projects.

Loans for International Sovereign Cooperation. China Eximbank extends loans to foreign sovereign borrowers in support of China's cooperation with such foreign national or regional governments as well as to foreign corporate borrowers with sovereign guarantees.

Loans for Financial Institution Cooperation. China Eximbank extends loans to foreign national or regional financial institutions in support of China's cooperation with them.

On-lending. China Eximbank also on-lends loans made available by foreign governments or their financial institutions or by international financial organisations to borrowers that are not PRC central or provincial governmental agencies or otherwise guaranteed by PRC central or provincial governmental agencies. The underlying loan documents are entered into by the PRC Ministry of Finance with the relevant foreign governments or their financial institutions or with such international financial organisations.

In such on-lending operations, China Eximbank will have the right to assess the projects independently, bear the risks in such on-lending operations, and have the final repayment liabilities under the on-lending agency arrangements with the Ministry of Finance. China Eximbank consolidates such on-lending business operations so long as they are not directly undertaken or otherwise guaranteed by PRC central or provincial governmental agencies.

Open Economy Development Loans

China Eximbank also provides loans to PRC enterprises to support national economic development, to assist their start-up businesses and to improve their export and import capacities. As of December 31, 2021, 2022 and 2023, the total outstanding balance of such open economy development loans was RMB1,320.6 billion, RMB1,436.2 billion and RMB1,315.2 billion, respectively.

The following table sets forth a breakdown of the total outstanding balance of open economy development loans as of December 31, 2021, 2022 and 2023.

	As of December 31,		
	2021	2022	2023
	RMB	RMB	RMB
(in 100 millions of RMB)			
Loans for Supporting Foreign Trade Clusters and Trade Promotion Platforms	881.64	1,076.10	1,101.02
Loans for Major Domestic Projects	3,752.85	4,314.63	4,259.06
Loans for Supporting Infrastructure Connectivity	999.66	916.51	819.47
Loans for Supporting Inclusive Finance	1,204.31	1,331.51	1,424.05
Trade Finance.....	476.46	451.83	255.03

As of December 31,			
	2021	2022	2023
	RMB	RMB	RMB
(in 100 millions of RMB)			
Other Loans.....	5,891.37	6,271.78	5,293.65
Total	13,206.29	14,362.36	13,152.28

Loans for Supporting Foreign Trade Clusters and Trade Promotion Platforms. China Eximbank extends loans to support foreign trade clusters and trade promotion platforms by promoting the orderly and free flow of international and domestic market elements, allocating resources efficiently and deepening market integration. China Eximbank aims to continuously enhance competitiveness, cultivate new ecology and add new momentum for foreign trade development. China Eximbank provides loans for investments in fixed asset and daily operation in establishing foreign trade agglomeration areas and foreign trade promotion platforms.

Loans for Major Domestic Projects. China Eximbank extends loans for major domestic projects to support the establishment of domestic circulation and the new pattern of domestic-international dual circulation. The goal is to promote the development of open economy. Loans for major domestic projects may be applied to the procurement of major domestic equipment, investment in fixed asset, mergers and acquisitions and daily operations in major domestic projects.

Loans for Supporting Infrastructure Connectivity. China Eximbank extends loans to deepen a higher level of open economy, accelerate the establishment of a new pattern of open economy and promote the interconnection of infrastructure with neighboring countries. The goal is to promote connectivity between domestic and international market and resources to achieve sustainable growth. China Eximbank provides loans for investments in fixed assets and daily operation that are relevant to infrastructure connectivity.

Loans for Supporting Inclusive Finance. China Eximbank extends on-lending loans for small and micro enterprises. The on-lending loans are provided based on request from and extended to commercial banks, who will transfer the loan onwards to small and micro enterprises. The commercial banks are liable for interest and principal payment of our on-lending loans.

Trade Finance. Trade finance refers to trade financing loans that are shown on balance sheet but not included in foreign trade loans.

Other Loans. China Eximbank also extends miscellaneous loans to PRC domestic borrowers in areas such as coastal shipping, emergency disaster relief, poverty relief, and lendings to PRC domestic non-deposit-taking financial institutions.

PRC Government Concessional Loan

Since 1995, China Eximbank has been authorised to act as the lending bank in respect of the PRC central government's concessional loans to borrowers in certain developing countries. In such capacity, China Eximbank extends loans in its own name, acting as principal in respect of the concessional loans.

China Eximbank's concessional loan program is a part of the PRC government's foreign aid program and is subject to close coordination with relevant government departments of PRC. Under the program, China Eximbank offers credits with concessional terms primarily to developing countries selected by the PRC central government. The objectives of the loan program are to promote economic and social development in the recipient countries and to enhance economic cooperation between China and other developing countries. These

concessional loans are mainly used to finance infrastructure projects and manufacturing projects to promote economic and social developments based on the development priorities of the recipient countries. These concessional loans are usually preceded by a framework agreement between the PRC government and the government of the relevant recipient country. The PRC government is typically represented by the China International Development Cooperation Agency in the negotiation, execution and delivery of such framework agreements. The framework agreements include the terms and conditions of each concessional loan. Within the applicable framework agreement, China Eximbank enters into concessional loan agreements with the borrowers in connection with specific projects. Borrowers in the concessional loan program can be divided into two categories:

- government of a recipient country, represented by a sovereign institution; and
- on-lending institutions recognised by China Eximbank, typically a bank or financial institution in a recipient country, and with guarantee provided by the government of such recipient country.

Concessional loans, when made to the central government or a central government-sponsored financial institution of the recipient country, are generally based on such borrower's sovereign credit. Concessional loans made directly to a foreign end-user, such as the preferential export buyer's credits, must be supported by credit enhancement arrangements satisfactory to China Eximbank. In general, concessional loans are made in Renminbi and have a maturity of 10 years or longer. Despite China Eximbank's role as principal with respect to concessional loans, China Eximbank's activities in this area are undertaken on behalf of the PRC government.

China Eximbank generally funds its concessional loans from its own sources with the protection of the concessional loan reserve fund financed by the PRC central government against any potential principal loss. The Ministry of Finance has undertaken to make additional contribution to this reserve fund should the PRC central government decide to expand such concessional loan operations conducted through China Eximbank. China Eximbank has not experienced any loss in principal over the years with respect to its concessional loan operations that have required utilisations of the reserve fund. In addition, China Eximbank receives fiscal support from the Ministry of Finance to compensate for certain losses in interest receipts on such concessional loans.

Guarantee Operations

China Eximbank is authorised under the Articles of Association to issue guarantees to support trade consistent with its credit operations. Such guarantees include financing guarantees, non-financing guarantees and guarantee confirmations. China Eximbank's guarantee operations are similar to its credit operations, with similar eligibility requirements.

Most of China Eximbank's guarantees are collateralised with counter-guarantees from the borrowers' sponsors, local banks or affiliated companies or with security interests in the borrowers' real or other properties. As is the case with its credit operations, many of China Eximbank's guarantees are secured with several of these collateral arrangements. However, due to the diverse nature of the collateral securing China Eximbank's guarantee projects and the potential lack of liquidity of such collateral, there can be no assurance that, in the event of foreclosure upon a credit, China Eximbank would be able to recover, if at all, the full amount owed to it from the disposal of such collateral. See "Risk Factors – Risks Relating to China Eximbank – The PRC government does not guarantee the Notes".

The following table sets forth the aggregate amount of guarantees issued by China Eximbank outstanding as of the dates indicated:

	As of December 31,		
	2021	2022	2023
	(in millions of US\$)		
Outstanding Guarantees	32,464	35,270	38,528

The following table sets forth the types of guarantees, as percentages of the total number of guarantees, issued by China Eximbank during the periods indicated:

	As of December 31,		
	2021	2022	2023
	(% of total)		
Financing Guarantees.....	2.54	1.04	1.79
Non-financing Guarantees	97.46	98.96	98.21
Total	100.0	100.0	100.0

Non-financing guarantees include bid guarantees, performance guarantees, advance payment guarantees, quality guarantees and other miscellaneous guarantees.

Foreign Government and International Financial Institution Credit On-lending Operations

Since 1995, China Eximbank has been designated by the PRC central government as its principal on-lending agent for loans made available to the PRC central government by foreign governments through their financial institutions. China Eximbank on-lends such loans to PRC end-users. These foreign sovereign loans support projects in transportation, municipal construction, electricity generation, industry, agriculture, postal and telecommunications and other sectors. Borrowers of these foreign loans are largely PRC central or provincial governmental agencies or borrowers guaranteed by PRC central or provincial governmental agencies, although there also have been non-government-affiliated on-lending borrowers. The outstanding credits China Eximbank on-lent to PRC end-users as of December 31, 2023 were from 24 foreign governments and eight international financial institutions, including World Bank, Asian Development Bank, Nordic Investment Bank, Nordic Development Fund, European Investment Bank, Organization of Petroleum Exporting Countries Fund for International Development and New Development Bank. In connection with its on-lending and management activities for such credits, China Eximbank is entitled to a fee payable by the borrower in the form of a commission.

To the extent that the on-lending borrowers are PRC central or provincial governmental agencies or otherwise guaranteed by PRC central or provincial governmental agencies, China Eximbank will not consolidate such on-lending operations into its consolidated financial statements and will account for them on an off-balance sheet basis, although it consolidates the results of such on-lending operations in its profit and loss statements. See “Financial Accounting Matters — Report of General Manager (Financial Management and Accounting Department) — Supplementary Information – Balance Sheet of Onlending Loans of Foreign Governments”. To the extent that the on-lending borrowers are not PRC central or provincial governmental agencies or otherwise guaranteed by PRC central or provincial governmental agencies, China Eximbank has the right to assess the projects independently, bear the risks in such on-lending operations, and has the final repayment liabilities pursuant to the on-lending agency arrangements with the Ministry of Finance. China Eximbank

consolidates its on-lending business operations with respect to the projects that are not directly undertaken or otherwise guaranteed by PRC central or provincial governmental agencies.

Foreign governmental credits to the PRC central government are generally made pursuant to the terms of credit facilities negotiated by PRC central government departments, such as the Ministry of Finance, each on behalf of the PRC central government. The direct borrower under such credit facilities is typically the Ministry of Finance, acting on behalf of the PRC central government, although the end-user of each credit or credit facility is typically a local enterprise or local governmental agency in China. As the principal on-lending agent for foreign governmental credits, China Eximbank assists the PRC central government in administering and monitoring the use of proceeds and development of the relevant projects, in disbursing the credit proceeds to the end-users, collecting payments of principal and interest from the end-users, and making the necessary repayments to the foreign governmental lenders on behalf of the PRC central government. Rights and obligations of the PRC central government, as the re-lender, and a PRC end-user, as the borrower, for an on-lent credit are usually set forth in a sub-credit or on-lending agreement, which provides for the rights and obligations of the PRC end-user similar to those of the PRC central government as borrower under the foreign governmental credit agreement. The sub-credit or on-lending agreement also contains provisions relating to the rights and duties of China Eximbank as the on-lending agent of the on-lender.

To the extent that the borrowers of the on-lent foreign loans are PRC central or provincial governmental agencies or borrowers guaranteed by PRC central or provincial governmental agencies, China Eximbank is subject to limited credit risk as an on-lending agent of the PRC central government as the PRC central government remains the obligor under these foreign government credit facilities. In accordance with the agency arrangements between China Eximbank and the Ministry of Finance, China Eximbank is acting as an agent of the Ministry of Finance in administering these loans, including informing the Ministry of Finance of any risk of non-payment China Eximbank has observed during its administrative process. China Eximbank as entrusted by the Ministry of Finance may be required under the agency arrangements to make timely payments to the foreign governmental lenders pursuant to the terms of such foreign government credit facilities. If an end-user fails to make its payments in a timely manner under the on-lending agreement, China Eximbank would in some cases use its own funds to make the necessary payments, including any principal, interest and foreign bank charges, under the foreign governmental credit agreement, subject to subsequent compensation by the Ministry of Finance.

Over the years, in its capacity as such on-lending agent, China Eximbank has been able to receive full reimbursement from the Ministry of Finance with respect to its fronted funds. The Ministry of Finance typically finances such compensation with funds derived from its fiscal budget debiting arrangements with the local governments that sponsored the end-users or funds from other means. Where an event of default has occurred and is continuing under an on-lending agreement, China Eximbank is entitled to enforce its remedies on behalf of the PRC central government against the end-user. End-users of foreign governmental credits, especially for large facilities, are typically backed by guarantees from the central or provincial-level governmental agencies, while smaller facilities may be supported by other collateral arrangements satisfactory to the PRC central government. To the extent of projects subject to China Eximbank's independent credit evaluation and discretion, China Eximbank will evaluate the credit support and collateral arrangements to its satisfaction, as China Eximbank will bear the final repayment liabilities for such on-lent loans pursuant to the on-lending agency arrangements with the Ministry of Finance.

As of December 31, 2021, 2022 and 2023, based on framework agreements between the PRC central government and foreign sovereign lenders, the aggregate outstanding principal amount of borrowings by the PRC central government for which China Eximbank acted as the on-lending agent was US\$11.9 billion, US\$9.7 billion and US\$8.9 billion, respectively.

International Settlement

China Eximbank provides international settlement services and foreign exchange settlement for its clients pursuant to arrangements under its loan facilities. In 2021, 2022 and 2023, China Eximbank's international settlement totalled US\$100.5 billion, US\$117.6 billion and US\$123.9 billion, respectively.

Financial Market Activities

China Eximbank is engaged in various financial market activities as approved or permitted by the PRC government. Such business activities may be divided into debt securities underwriting, money market, fixed income, foreign exchange and derivative activities.

Debt Securities Underwriting. Since 2007, with the approval of the People's Bank of China, China Eximbank has become a bank authorised to underwrite debt securities of non-financial institutions in the PRC interbank market. As a result, China Eximbank regularly participates in the underwriting of debt issuances by non-financial issuers in China as a lead underwriter, co-lead underwriter or sole underwriter. In 2021, China Eximbank participated in the underwriting of 26 debt issuances with an aggregate principal amount of approximately RMB115.5 billion, as lead underwriter or co-lead underwriter. In 2022, China Eximbank participated in the underwriting of 21 debt issuances with an aggregate principal amount of approximately RMB144.7 billion, as lead underwriter or co-lead underwriter. In 2023, China Eximbank participated in the underwriting of 23 debt issuances with an aggregate principal amount of approximately RMB24.4 billion.

Money Market. China Eximbank conducts short-term interbank borrowings and lendings in both onshore and offshore money markets based on its position management requirements in order to keep its liquidity at the proper level.

Fixed Income. China Eximbank carries out a part of its treasury operations through investments in a variety of fixed income products across different currencies, markets and product types. Fixed income investments are an important part of China Eximbank's non-credit asset portfolio, and play the role of diversifying its total assets mix and improving its overall liquidity.

Foreign Exchange. China Eximbank conducts foreign exchange trading across major currencies, including Renminbi, also as a part of its treasury management. Such foreign exchange trading activities are conducted to meet the foreign exchange needs of China Eximbank and its clients, and not for speculative purposes.

Derivatives. China Eximbank provides various types of derivative products, including forwards, options, interest rate swaps and currency swaps, to manage and hedge interest and currency risks for both its own needs and the needs of its clients. They are not for speculative purposes.

Credit Evaluation, Approval and Monitoring

China Eximbank has a credit management system that separates the decision-making process in credit evaluation from that of credit approval and monitoring with respect to its lending activities and its credit portfolio management, including, in each case, its guarantee programs. Before a credit or guarantee is granted, the ultimate credit decision-making power at the bank headquarters level rests with the Credit Evaluation and Approval Committee of China Eximbank. At each branch of China Eximbank, a project evaluation committee at the branch is, however, able to make the pre-lending credit decision if it is within its scope of authorisation. After a credit or guarantee is granted, the ultimate decision-making power with respect to post-lending loan evaluation rests with the Risk Management & Internal Control Committee of China Eximbank. At the branch level, the post-lending evaluation is conducted by a risk management office.

The Credit Evaluation and Approval Committee is currently comprised of one chairman, two vice chairmen and other committee members. In general, the presence of the required number of members of each Committee constitutes a quorum, and a two-thirds majority of the members present may adopt resolutions for such

Committee. For the Credit Evaluation and Approval Committee, depending on the size of a credit project, either a credit evaluation and approval meeting or a special evaluation and approval meeting will be held. The presence of at least seven members of the Credit Evaluation and Approval Committee constitutes a quorum for a credit evaluation and approval meeting and the presence of at least five members of the Credit Evaluation and Approval Committee constitutes a quorum for a special evaluation and approval meeting. For a diagram showing China Eximbank's organisational structure, see "Management."

Credit Evaluation. China Eximbank has guidelines on credit evaluation for its lendings and guarantees. When the credit department at its headquarters receives an application for an export credit or a guarantee, such application will be subject to a three-step evaluation procedure as currently in force:

- preliminary evaluation by the relevant credit department, which will prepare a credit risk appraisal and a project feasibility study;
- further evaluation by the Project Evaluation Department; and
- final evaluation by the Credit Evaluation and Approval Committee depending on the size of the credit project.

Credit applications at the branch level, to the extent within the authorisation of the branches, are also subject to a three-step evaluation procedure:

- preliminary review by its business office;
- further review by its evaluation division; and
- final decision by the branch project evaluation committee.

China Eximbank uses a grading system in its credit evaluation. The major factors China Eximbank takes into consideration before a credit is approved include:

- compliance review of (a) whether the project complies with the relevant policies, laws and regulations governing areas such as industry, finance, diplomacy and environmental protection in the PRC and in the country where the project is located, and (b) whether the project has obtained the necessary approvals from relevant authorities in the PRC and in the country where the project is located in accordance with relevant approval procedures;
- the economic benefit and social utility of the project;
- credit record and repayment capability of the borrower and its guarantors;
- quality of any security and other credit enhancement to be provided; and
- environmental impact assessment of the projects.

Approval Procedures. China Eximbank has established approval procedures that segregate the credit approval process from its lending activities, and allocated different levels of credit approval authority to its branches and the headquarters. A branch is authorised to approve credit applications within specified limits. Credit applications that exceed the branch's credit approval limit must be reviewed by the relevant branch before being forwarded to the Project Evaluation Department of China Eximbank's headquarters for further review, which will submit the applications to the competent approving body within China Eximbank for final review and decision making.

Environmental Impact Assessment. Environmental impact is an aspect of China Eximbank's credit evaluation process. As part of the credit evaluation for lendings within or outside China, borrowers must submit

documentation including those in connection with the environmental protection of the relevant project to China Eximbank in order to allow China Eximbank's credit appraisal team to make a determination whether to approve such financings. China Eximbank requires a credit project to be compliant with both local environmental standards and China Eximbank's internal guidelines on environmental compliance, which are based on China's environmental regulations. China's environmental regulations may differ from environmental regulations in other countries.

Under the current PRC Law on Environmental Impact Assessment, companies embarking on environmentally sensitive projects within China must submit environmental impact assessment reports to the Ministry of Ecology and Environment at the relevant national, provincial or local levels. In accordance with this law, the Ministry of Ecology and Environment has published a catalog, which, among others, lists environmentally sensitive projects and specifies the requirements and coverage of their environmental impact assessment reports. The catalog currently lists many industries subject to this reporting requirement, including but not limited to coal mining, oil and gas exploration and development, pulp mill, petroleum refinery, chemical and petrochemical production, machinery and equipment manufacturing, power generation and transmission, hydropower facilities, urban transportation infrastructure, waste disposal facilities, railways, highways, dams, ports, and nuclear facilities. A project company may engage an environmental appraiser or by itself to assess the environmental impact and to prepare the report for submission to the PRC government. In addition, the law does not permit any project listed in the catalog which is subject to environmental impact assessment requirements to begin construction until government regulators are satisfied with the environmental impact assessment.

Monitoring of Credit Projects. China Eximbank's 32 domestic operational branches, one overseas branch in Paris, one domestic representative office in Hong Kong and five overseas representative offices assist its headquarters in the overall operations within and outside China, especially in monitoring its credit projects. These representative offices are located in the vicinities of most of China Eximbank's credit projects. They participate in collection of payments, gathering of information, updating project profiles and monitoring the developments at project sites.

As a part of China Eximbank's efforts to enhance its credit assets quality management and to standardise its risk control procedures, since 2004, China Eximbank has implemented a risk-based asset classification scheme formulated by the National Administration of Financial Regulation for commercial banks in China. This risk-based asset classification classifies China Eximbank's credit assets into five categories:

- a credit is classified as "normal" where the borrower continues to fulfil its obligations to repay on a timely basis both principal and interest;
- a credit is classified as "watch" or "special mention" if China Eximbank becomes aware of factors which it believes may negatively impact the borrower's ability to repay the credit;
- a credit is classified as "substandard" where the borrower has failed to repay either principal or interest on a timely basis and it has become apparent to China Eximbank that the borrower is unable to rely on its revenues from operations to satisfy its repayment obligations;
- a credit is classified as "doubtful" where the borrower has failed to repay either principal or interest on a timely basis and China Eximbank anticipates incurring losses even after taking steps to enforce its rights in relation to any pledged or mortgaged assets securing the credit; and
- a credit is classified as "bad" or "loss" where China Eximbank believes that the recovery of all outstanding principal and interest is not possible and that only a very limited recovery is possible after all measures available to China Eximbank have been exhausted and all legal proceedings reasonably available to China Eximbank have been pursued.

China Eximbank has established a system of risk surveillance over its loan portfolios to maintain a close watch over possible irregularities and uncertainties.

Correspondent Banking Relationships

As of December 31, 2023, China Eximbank (including its Paris Branch) maintained correspondent banking relationships with 1,042 bank head offices and branches/subsidiaries in 142 countries and regions across the world. Some of these correspondent banks participate in China Eximbank's international settlement and loan operation.

Over-due Principal and Interest

Overdue Principal. For provisioning and accounting purposes, China Eximbank treats “substandard”, doubtful” and “bad” loans as non-performing loans pursuant to the five-category risk-based asset classification scheme formulated by the National Administration of Financial Regulation. See “— Credit Evaluation, Approval and Monitoring — Monitoring of Credit Projects” above. For monitoring purposes, China Eximbank further divides the five categories of risk-based assets into 12 grades, with five further grades within the “normal” classification, three within the “watch” classification, and two within the “substandard” classification.

China Eximbank reports the condition of the loan assets on its balance sheet, including its own portfolios, concessional loans, and loan projects selected and designated by the PRC government, to the National Administration of Financial Regulation on a monthly basis. As of December 31, 2021, 2022 and 2023, China Eximbank had non-performing loans (comprising all substandard, doubtful and bad loans) of approximately RMB70.3 billion, RMB68.7 billion and RMB62.7 billion, respectively, representing approximately 1.58 per cent., 1.36 per cent., and 1.18 per cent., respectively, of its outstanding loan portfolio, each calculated on an on-balance-sheet basis, as of the relevant year-end. The decrease of outstanding balance and ratio of the non-performing loans in 2022 was the first time that China Eximbank recorded a decrease in such balance and ratio since 2012. The China Eximbank has recorded the lowest non-performing loan ratio in 2023 since 2015.

Loan Loss Reserve. China Eximbank maintains a loan loss reserve against potential defaults in the payment of loan principal on the basis of evaluations conducted by China Eximbank on its loan assets included in its consolidated balance sheet. Off-balance-sheet loan assets, primarily foreign governmental loans on-lent by China Eximbank to PRC central or provincial governmental agencies or borrowers guaranteed by PRC central or provincial governmental agencies, are not included in such evaluations or in the calculation of such loan loss reserves. In accordance with the agency arrangements between China Eximbank and the Ministry of Finance, China Eximbank has no liability for the payment of any principal, interest or foreign banking charges with respect to any such loan project undertaken by PRC central or provincial governmental agencies or otherwise guaranteed by PRC central or provincial governmental agencies.

China Eximbank classifies its loans based on risk level and conditions under the expected credit loss model and conducts regular loan loss reserve related evaluations in two ways: a portfolio based evaluation and a specific loan based evaluation.

- Portfolio evaluations are regularly performed for the loans classified as stage one and stage two by the risk management department at the headquarters of China Eximbank on a rolling basis, to calculate expected credit loss using forward adjusted probability of default, loss given default or exposure at default methodologies.
- Specific loan asset evaluations are regularly performed for the loans classified as stage three by the various lending departments and branches, subject to the review by the risk management department at the headquarters of China Eximbank. The evaluations forecast future cash flow of individual loans and calculate the expected credit loss by discounting expected cash flow.

- The portfolio evaluation and the specific loan evaluation do not apply to the PRC government concessional loan operations conducted by China Eximbank, which are evaluated pursuant to the five-category risk-based asset classification scheme formulated by the National Administration of Financial Regulation as disclosed in “— *Credit Evaluation, Approval and Monitoring — Monitoring of Credit Projects*” above. As of December 31, 2021, 2022 and 2023, China Eximbank had a loan loss reserve of approximately RMB136.2 billion, RMB137.5 billion and RMB138.5 billion respectively. The fluctuation in China Eximbank’s loan loss reserve was primarily due to the changes of China Eximbank’s loan scale and asset quality. These periodic analyses and assessments also took into account potential adverse effect of such factors on the operations of the various obligors of China Eximbank in their respective industries.

For risk management in its fixed income financial market activities, China Eximbank recorded provisions for impairment of investments in debt securities denominated in foreign currencies in an aggregated amount of US\$112.8 million, US\$109.0 million and US\$109.3 million, respectively, as of December 31, 2021, 2022 and 2023.

Sources of Funds

In addition to capital contribution by the PRC government and other financial support from the Ministry of Finance, China Eximbank may obtain funds from a variety of sources, such as domestic and overseas issuance of financial bonds and other negotiable securities (excluding stocks), interbank borrowing and lending, deposits by banks and repo business, deposit-taking from credit customers and other ways approved by the State Council.

Funding of Renminbi Loans. Sources of funding available to China Eximbank for its Renminbi credits include capital contributed by the Ministry of Finance, issuance of Renminbi-denominated debt securities and borrowings from domestic financial institutions.

The following table sets forth the amounts of Renminbi funds obtained by China Eximbank from each of its principal sources of funding during the periods indicated:

Sources of Funds for Renminbi Credits

	Year ended December 31,					
	2021		2022		2023	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
<i>(in millions of RMB, except for percentages)</i>						
Capital Contributed by PRC						
Government	291,498	6.8	291,498	5.9	291,498	5.48
Dim Sum Notes Issue in Hong Kong	2,000	0.1	2,000	0.1	2,300	0.04
Domestic Financial Debentures	3,992,110	93.2	4,617,510	94.0	5,028,710	94.48
Total	4,285,608	100.0	4,911,008	100.0	5,322,508	100.0

China Eximbank’s primary source of funds denominated in Renminbi has been the issuance of financial debentures to domestic banking and financial institutions. Each year, China Eximbank proposes to the People’s Bank of China a funding plan for the following year and seeks its approval of the proposal. The People’s Bank of China reviews this proposal based upon the PRC economic and industrial plans for such year. During the three years ended December 31, 2021, 2022 and 2023, China Eximbank issued an aggregate of RMB25.0 billion in principal amount of its domestic financial debentures with maturities of three months to 20 years.

In December 2021, China Eximbank issued RMB5.0 billion of 2.48% domestic green bonds due 2026.

In March 2022, China Eximbank issued RMB3.0 billion of 2.48% domestic green bonds due 2026.

In April 2022, China Eximbank issued RMB3.0 billion of 2.48% domestic green bonds due 2026.

In July 2022, China Eximbank issued RMB3.0 billion of 2.20% domestic green bonds due 2025.

In August 2022, China Eximbank issued RMB2.0 billion of 2.20% domestic green bonds due 2025.

In September 2022, China Eximbank issued RMB4.0 billion of 1.67% domestic green bonds due 2024.

In April 2023, China Eximbank issued RMB5.0 billion of 2.37% domestic green bonds due 2025.

In April 2024, China Eximbank issued RMB3.0 billion of 1.73% domestic green bonds due 2026.

In August 2024, China Eximbank issued RMB3.0 billion of 1.32% domestic green bonds due 2026.

Funding of Foreign Currency Loans. China Eximbank relies on the following sources of funding for its credits denominated in foreign currencies: (i) the issuance of debt securities denominated in foreign currencies; and (ii) foreign currency loans obtained from foreign and domestic commercial banks, including short-term credits from the domestic foreign exchange interbank markets. Pursuant to the overseas borrowings reform implemented by the National Development and Reform Commission, the annual amount of China Eximbank's foreign currency overseas borrowings with a maturity of more than one year is subject to approval by the National Development and Reform Commission in connection with such borrowings.

In February 2019, China Eximbank issued an aggregate principal amount of €1.0 billion of 0.3% bonds due 2022, listed on the SGX-ST.

In October 2019, China Eximbank Paris Branch issued an aggregate principal amount of US\$300 million of bonds with a floating rate of the three-month London Interbank Offered Rate plus 48 basis points due 2022, listed on the SGX-ST.

In October 2019, China Eximbank issued an aggregate principal amount of €700 million zero coupon Notes due 2024, listed on the SGX-ST.

In 2019, China Eximbank issued HK dollar-denominated and U.S. dollar-denominated debt securities through private placements in an aggregate principal amount of HK\$8.00 billion and US\$2.28 billion, respectively.

In 2020, China Eximbank issued U.S. dollar-denominated and Euro-denominated debt securities through private placement in an aggregated principal amount of US\$647 million and €350 million, respectively.

In June 2021, China Eximbank issued U.S. dollar-denominated notes in an aggregated principal amount of US\$0.3 billion due 2024 in the PRC.

In July 2021, China Eximbank issued U.S. dollar-denominated notes in an aggregated principal amount of US\$1.0 billion due 2023 in the PRC.

In October 2021, China Eximbank issued U.S. dollar-denominated notes in an aggregated principal amount of US\$0.5 billion due 2026 in the PRC.

In 2022, China Eximbank issued (i) U.S. dollar-denominated debt securities through private placements in an aggregate principal amount of US\$1.49 billion, and (ii) Euro-denominated debt securities through private placements in an aggregate principal amount of €0.4 billion.

In May 2023, China Eximbank issued an aggregate principal amount of US\$1.5 billion of 3.875 per cent notes due 2026, listed on the SGX-ST.

In 2023, China Eximbank issued (i) U.S. dollar-denominated debt securities through private placements in an aggregate principal amount of US\$3.026 billion, and (ii) RMB-denominated debt securities through private placements in an aggregate principal amount of RMB0.3 billion.

The following table sets forth the amounts of foreign currency funds obtained by China Eximbank from each of its principal sources of funding during the periods indicated:

Sources of Funds for Foreign Currency Credits

	Year ended December 31,					
	2021		2022		2023	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
<i>(in millions of USD, except for percentages)</i>						
International Notes	16,252	40.9	14,007	38.8	13,026	47.62
Domestic Notes.....	1,800	4.5	1,800	5.0	800	2.92
Interbank Short Term Borrowings ..	7,267	18.3	5,949	16.5	3,500	12.79
Other Loans	14,465	36.4	14,325	39.7	10,031	36.67
Total	39,784	100.0	36,081	100.0	27,357	100.0

Market Risk Management

China Eximbank's market risk exposures primarily consist of fluctuations in exchange rates and interest rates. Other than currency and interest rate hedge transactions necessary to manage its risk portfolio, China Eximbank does not engage in speculative trading activities.

Currency Risk. Foreign exchange transactions under the capital account are subject to the registration requirements of the State Administration of Foreign Exchange. China Eximbank primarily relies on currency matching between its borrowings and lendings to minimise its currency exposure, with foreign exchange swaps, from time to time, to hedge exchange rate fluctuations between Renminbi and foreign currencies. China Eximbank also settles undistributed foreign currency profits in a timely manner to reduce currency exposure.

Interest Rate Risk. China Eximbank is exposed to interest rate risks arising from the mismatch between assets and liabilities. China Eximbank controls interest rate risk through asset liability management such as pricing management and debt cost management, based on existing and anticipates market conditions.

Debt Repayment Record

China Eximbank has never defaulted in the repayment of principal of or interest on any of its obligations.

Employees

As of December 31, 2023, China Eximbank had approximately 4,598 full-time employees.

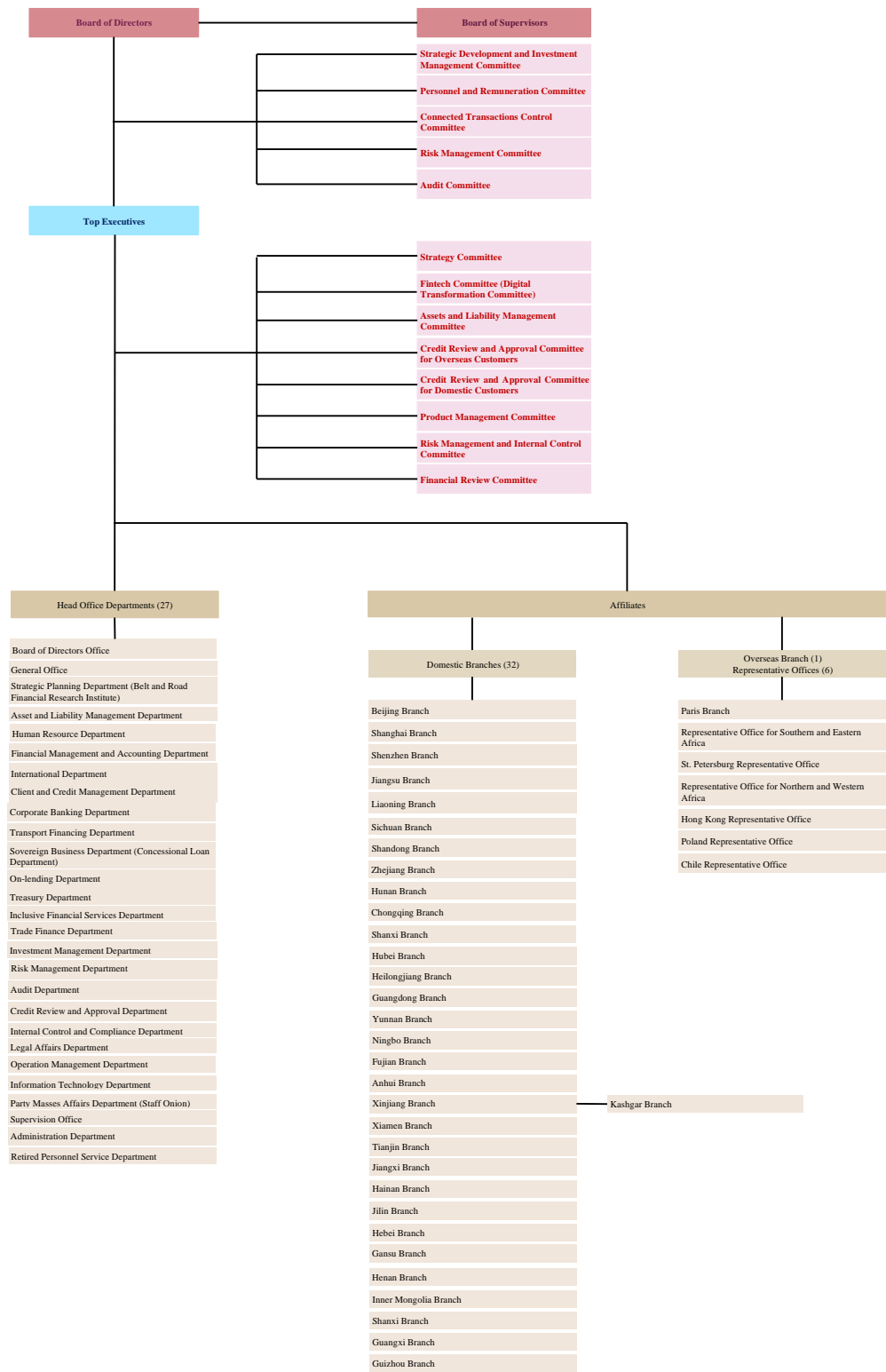
Properties

The head office of China Eximbank is located at No. 30 Fuxingmennei Street, Xicheng District, Beijing 100031, China. In addition to the head office, China Eximbank maintains offices in various geographical locations in premises owned or leased by China Eximbank.

Management

Organisational Structure

The organisation of China Eximbank is as follows:



Board of Directors. The Articles of Association provides that the main functions of the board of directors include, among others:

- examining and approving China Eximbank's long-term and medium-term development strategies and its annual operation plan and investment proposals;
- instituting China Eximbank's annual financial budget and final account settlement plans;
- examining and approving China Eximbank's annual bond issuance plans;
- instituting China Eximbank's profit distribution and loss make-up plans;
- examining and approving China Eximbank's significant projects, including significant mergers and acquisitions, investments, asset purchases and dispositions and external guarantees (excluding bank guarantees);
- formulating plans for the increase or decrease of China Eximbank's registered capital, and submitting such plans to the State Council for approval according to due procedures;
- examining and approving China Eximbank's annual reports;
- appointing or dismissing the president, secretary to the board of directors and chief auditor officer of China Eximbank; and
- appointing or dismissing vice presidents, assistant presidents and other members of the senior management (excluding secretary to the board of directors and chief audit officer) that should be engaged or dismissed by the board in accordance with relevant laws and regulations on the nomination of the president of China Eximbank.

According to the Articles of Association, China Eximbank shall establish a board of directors comprising thirteen (13) directors, including three (3) executive directors (chairman included) and ten (10) non-executive directors.

Pursuant to the Articles of Association, each director of China Eximbank may serve a term of three years and may be re-elected for additional terms. When a ministry or commission-appointed director cannot perform his/her duty due to retirement or resignation from his/her related ministry or commission, or other reasons, the ministry or commission concerned shall promptly appoint another person for replacement.

Senior Management.

President. The major responsibilities of the president include, among others:

- presiding over business operations and management of China Eximbank, and organizing the implementation of resolutions of the board of directors;
- formulating China Eximbank's medium-term and long-term development strategies and its annual business and investment plans;
- formulating China Eximbank's annual financial budget plans and its final account settlement plans;
- formulating China Eximbank's annual bond issuance plan;
- formulating China Eximbank's profit distribution and loss make-up plans;
- approving China Eximbank's investments, asset purchases and disposals and external guarantees (excluding bank guarantees) within certain limit as authorised by the board of directors;

- authorizing other senior management officers, internal functional departments and branch managers of China Eximbank to engage in day-to-day operation and management activities;
- formulating China Eximbank's basic management systems, such as risk management, internal control, as well as detailed rules and regulations;
- proposing to the board of directors for appointment or dismissal of any vice president, assistant president or other senior management officers (other than secretary to the board of directors and chief auditor officer) in accordance with laws and regulations; and
- performing other functions and powers as stipulated by laws and regulations or authorised by the board of directors.

Pursuant to China Eximbank's Articles of Association, the president and the vice presidents of China Eximbank are appointed by the board of directors of China Eximbank.

As at 30 June 2024, the chairman, president, vice presidents, Member of the Party Committee, chief inspector of the discipline and supervision office of the CPC central commission for discipline inspection and the national commission of supervision of the PRC at China Eximbank, secretary to the board of directors and chief risk officer are as follows:

Mr. Wu Fulin, Party Secretary and Chairman. Mr. Wu was appointed as the Party Secretary in April 2022 and Chairman of China Eximbank in June 2022. Prior to the appointment of the Party Secretary and Chairman, Mr. Wu served as Deputy Party Secretary, Vice Chairman and President of China Eximbank (January 2020 - April 2022); a member of the Party Committee of Bank of China (October 2018 – January 2020, during which, since December 2018 as Vice President, and from February 2019 as Executive Director); a member of the Party Committee and a Deputy General Manager of China Everbright Group (March 2015 – October 2018); Chief Economist of China Everbright Group (April 2013 – October 2018); Chairman of Sun Life Everbright Life Insurance Co Ltd. (July 2015 – October 2018). Mr. Wu previously worked in China Foreign Exchange Trade System and then joined China Everbright Bank where Mr. Wu served as the General Manager of the Planning and Treasury Department and the Treasury Department, the President of Kunming Branch, the President of Shenzhen Branch, the General Manager of Strategies Management Department. Mr. Wu has also served as the General Manager of Strategic Planning Department of China Everbright Group. Mr. Wu graduated from Fudan University. Mr. Wu has a Ph.D. Degree in Economics and is an Associate Researcher.

Mr. Ren Shengjun, Deputy Party Secretary, Vice Chairman and President. Mr. Ren was appointed as the Deputy Party Secretary in May 2022 and Vice Chairman and President of China Eximbank in August 2022. Mr. Ren served as Deputy Party Secretary and Chairman of the Board of Supervisors of CITIC Group Cooperation (May 2020 - May 2022); a member of the Party Committee, Executive Director and Deputy General Manager of China Pacific Insurance (Group) Co., Ltd. (China Pacific Insurance Co., (Hong Kong) Ltd.) (January 2020 - May 2020); a member of the Party Committee and Deputy General Manager of China Pacific Insurance (Group) Co., Ltd. (China Pacific Insurance Co., (Hong Kong) Ltd.) (October 2015 to January 2020); the bank councilor of China Eximbank (September 2011 to October 2015, during which, the Party Secretary and President of Shanghai Branch from September 2011 to March 2012, and General Manager of the Planning and Financial Management Department from March 2012 to October 2015); and the General Manager of the Credit Management Department, the Party Secretary and President of Shenzhen Branch, and the Party Secretary and President of Shanghai Branch of China Eximbank successively (December 2003 to September 2011). Mr. Ren joined Ministry of Finance since his graduation from Central University of Finance and Economics. Mr. Ren has a master's degree in management and is a senior accountant.

Mr. Zeng Mingzi, Member of the Party Committee, Chief Inspector of the Discipline and Supervision Office of the CPC Central Commission for Discipline Inspection and the National Commission of Supervision of the

PRC at China Eximbank. Mr. Zeng was appointed as a member of the Party Committee and the Chief Inspector of the Discipline and Supervision Office of the CPC Central Commission for Discipline Inspection and the National Commission of Supervision of the PRC at China Eximbank in January 2019. Prior to this appointment, Mr. Zeng served as Secretary of the Discipline Inspection Committee at China Eximbank (July 2018 – January 2019); Deputy Chief of the Publicity Department of Central Commission for Discipline Inspection and President of the magazine Supervision in China (December 2014 – July 2018); Party Disciplinary Inspector (Director-General Level), Ombudsman and Deputy Director-General of Office of the Inspection Leadership Group of the CPC Central Committee (March 2014 – December 2014); Deputy Director-General, Party Discipline Inspector (Director-General level), Ombudsman and Deputy Director-General of the Office of Inspections of the Central Commission for Discipline Inspection and the Organization Department of the CPC Central Committee (March 2010 – March 2014); Deputy Director (Deputy Department Level) of China Central Founding Publishing House of CPC Central Commission for Discipline Inspection (July 2005 – March 2010); Inspector and Supervisor (Deputy-Division-Director level and Division-Director level successively) of the General Office of the CPC Central Commission for Discipline Inspection (June 1998 – July 2005). Mr Zeng worked for Xinhua News Agency from July 1994 to June 1998. He studied in the Graduate School of China School of Journalism from September 1992 to July 1994 and has Bachelor's Degree in Journalism as second degree.

Mr. Chen Bin, Member of the Party Committee and Vice President. Mr. Chen was appointed as a Member of the Party Committee in May 2021 and Vice President in September 2021. Prior to this appointment, Mr. Chen served as General Manager of the Risk Management Department (August 2020 – May 2021); Party Secretary and President of the Guangdong Branch (March 2016 – August 2020); Deputy General Manager of the Transport Financing Department and Deputy General Manager of the Concessional Loan Department (August 2011 – March 2016); Assistant General Manager of the Corporate Banking Department II and Assistant General Manager of the Transport Financing Department (March 2009 – August 2011); Division Director of the Hunan Branch and Division Director of the Corporate Banking Department II (December 2007 – March 2009); Deputy Division Director of the Operation Department and Deputy Division Director of the Hunan Branch (December 2005 – December 2007). Mr. Chen studied as a visiting scholar at the University of Illinois at Urbana-Champaign from March 2009 to August 2011. Mr. Chen also took a temporary post as Member of the Standing Committee of the CPC Xiaogan Municipal Committee and vice mayor of Xiaogan City, Hubei Province and took a training course for young and middle-aged party officials at the Party School of Central Committee of the CPC from October 2020 to January 2021. Mr. Chen is an Economist and has a Master's Degree in Economics.

Mr. Zhang Shaohui, Member of the Party Committee, Vice President. Mr. Zhang was appointed as a Member of the Party Committee in August 2022 and as Vice President in October 2022. Mr. Zhang served as General Manager of the Human Resources Department from August 2022 to October 2022. Mr. Zhang joined China Eximbank in October 2003, and held a number of positions such as Director of the General Office (Office of the Party Committee) of Dalian Branch, Deputy Chief Representative of Harbin Representative Office, Member of the Party Committee, Secretary of the Discipline Inspection Commission and Vice President of Heilongjiang Branch, Member of the Party Committee, Secretary of the Discipline Inspection Commission and Vice President of Liaoning Branch, Secretary of the Party Committee and President of Hubei Branch, Secretary of the Party Committee and President of Jiangsu Branch, Director of the Organization Department of the Party Committee and General Manager of the Human Resources Department. Mr. Zhang took a training course for young and middle-aged officials at the Party School of the Central Committee of the CPC from March to June 2022. Prior to joining China Eximbank, Mr. Zhang worked at the Bank of China and served successively as staff member and section chief of Gansu Branch, Member of the Party Committee and Vice President of Wuwei Branch and Secretary of the Party Committee and President of Zhangye Branch. Mr. Zhang is a Senior Economist.

Mr. Wang Kang, Member of the Party Committee and Vice President. Mr. Wang was appointed as a Member of the Party Committee in March 2024 and Vice President in June 2024. Prior to this appointment, Mr. Wang served as Member of the Party Committee Vice President and Chief Financial Officer of China CITIC Bank (September 2021 – March 2024), where he also served as Party Secretary and President of Hangzhou Branch (July 2022 – September 2023). Before that, Mr. Wang was the Director of the Board of Directors Office at CITIC Group Corporation Limited and Joint Company Secretary of CITIC Limited (September 2016 – September 2021). He also held roles as General Manager of the Asset and Liability Department and Board Secretary at China CITIC Bank (January 2015 – September 2016) and as Party Secretary and President of the Wuxi Branch at China CITIC Bank (March 2013 – January 2015). Earlier in his career, Mr. Wang served as Assistant General Manager, Deputy General Manager and General Manager of the Budget and Finance Department at China CITIC Bank (March 2004 – March 2013) and as Deputy Director of the Office of Shareholding Reform (presided over the office work) (January 2002 – March 2004). Mr. Wang joined China CITIC Bank in April 1996 after graduating from Central University of Finance and Economics. Mr. Wang is a Senior Economist and holds a Master's Degree in Economics and a Master's Degree in Management.

Ms. Yang Dongning, Member of the Party Committee. Ms. Yang was appointed as a Member of the Party Committee in June 2024. Prior to this appointment, Ms. Yang served as Director General of the Innovative Business Regulation Department at the China Banking and Insurance Regulatory Commission, and Party Secretary and Director General of the Beijing Office of the National Financial Regulatory Administration (March 2020 – June 2024), during which time she attended a training course for young and middle-aged officials at the Party School of the Central Committee of the CPC (September 2022 – December 2022). Before that, Ms. Yang held roles as Associate Counsel of the General Office (Party Committee Office) and Deputy Director General of the Publicity Department (Party Committee Publicity Department) of China Banking Regulatory Commission, and Deputy Director General of the Banking Institution Examination Bureau of China Banking and Insurance Regulatory Commission (June 2014 – March 2020). She also served a temporary post as Deputy Mayor of Dongcheng District People's Government of Beijing Municipality (April 2016 – April 2017). Earlier in her career, Ms. Yang served as Associate Consultant of the Policy and Regulation Department (Research Bureau) and Division Director of the General Office (Party Committee Office) of the China Banking Regulatory Commission (November 2005 – June 2014). Ms. Yang had work experience at domestic and foreign financial institutions. Ms. Yang graduated from Peking University and the School of Oriental and African Studies of University of London. Ms. Yang holds a PhD.

Mr. Jiang Juhua, Secretary to the Board of Directors. Mr. Jiang was appointed as Secretary to the Board of Directors in July 2018. Mr. Jiang served as General Manager of the General Office from July 2018 to December 2019. Prior to this, Mr. Jiang served as Bank Councilor and General Manager of the General Office at China Eximbank (March 2017 – July 2018). He also held the role of Bank Councilor and General Manager of the Concessional Loan Department (March 2014 – March 2017). Earlier in his career, Mr. Jiang served as Bank Councilor, General Manager of the General Office and the Party Committee Office at China Eximbank (December 2011 – March 2014). He was also General Manager of the Corporate Banking Department II (December 2006 – April 2009) and served as Head of the Preparatory Team, President and Party Secretary of the Heilongjiang Branch (April 2009 – September 2011), continuing as Bank Councilor, President and Party Secretary of the Heilongjiang Branch until December 2011. Mr. Jiang's earlier roles included serving as Director of the Risk Management Division and Assistant General Manager and Deputy General Manager of the Operation Department of China Eximbank (October 2001 – December 2006). Mr. Jiang served as Secretary in the General Office of China Eximbank (June 1999 – October 2001), and having previously been a Staff Member in the Training Division of the Education Department (June 1995 – June 1997) and Secretary in the General Office (June 1997 to June 1999) of the Industrial and Commercial Bank of China. Mr. Jiang holds a Master's Degree in Engineering.

Mr. Li Zhongyuan, Chief Risk Officer of Risk Management. Mr. Li was appointed as Chief Risk Officer (CRO) in 2018. Mr Li also served as General Manager of the Risk Management Department of China Eximbank (2018 – 2020). Before these roles, Mr. Li was President of the Shandong Branch (2016 – 2018) and General Manager of the Transport Financing Department (2012 – 2016). Earlier in his career, he served as Deputy General Manager of the Corporate Business Department and General Manager of the Credit Department II (2010 – 2012). Mr. Li held various positions at China Bohai Bank, including Deputy General Manager and General Manager of the General Management Department, Deputy Director-General and Director-General of the CPC Committee Office, General Manager of the Corporate Banking Department, and Head of the Preparatory Team for the Founding of Fuzhou Branch (2005 – 2010). He also served as Deputy Division Director, Division Director, and Assistant General Manager of the Export Credit Department of China Eximbank (2000 – 2005). Mr. Li's earlier roles included serving as Third Secretary and Second Secretary of the Economic and Commercial Counsellor's Office of the Chinese Embassy in Myanmar (1995 – 2000), and Staff and Business Manager of China National Corporation for Overseas Economic Cooperation (1989 – 1995). Mr. Li is a Senior Economist and holds a Master's Degree in Economics.

TERMS AND CONDITIONS OF THE NOTES

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

The Notes are part of a Series (as defined below) of Notes issued by The Export-Import Bank of China (the “**China Eximbank**”) or its overseas branch (as specified in the applicable Pricing Supplement) (the “**Issuer**”), and are issued pursuant to an amended and restated fiscal agency agreement (as amended, restated or supplemented as at the Issue Date, the “**Fiscal Agency Agreement**”) dated October 25, 2024 entered into with China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司), a corporation incorporated and existing under the laws of Hong Kong as fiscal agent and the other agents named in it. The fiscal agent, the CMU lodging and paying agent, the other paying agents, the registrars, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**” (which expression includes any successor Fiscal Agent appointed from time to time in connection with the Notes), the “**CMU Lodging and Paying Agent**” (which expression includes any successor CMU Lodging and Paying Agent appointed from time to time in connection with the Notes), the “**Paying Agents**” (which expression shall include the Fiscal Agent and the CMU Lodging and Paying Agent), the “**Registrars**” (which expression includes any successor Registrar appointed from time to time in connection with the Notes), the “**Transfer Agents**” (which expression includes any successor Transfer Agent appointed from time to time in connection with the Notes) and the “**Calculation Agent(s)**” (which expression includes any successor Calculation Agent appointed from time to time in connection with the Notes). For the purposes of these terms and conditions (the “**Conditions**”), all references to the Fiscal Agent shall, with respect to a Series of Notes to be held in the CMU, be deemed to be a reference to the CMU Lodging and Paying Agent and all such references shall be construed accordingly. The Noteholders (as defined below), the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Notes in bearer form of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Fiscal Agency Agreement applicable to them.

As used in these Conditions, “**Tranche**” means the Notes which are identical in all respects.

Copies of the Fiscal Agency Agreement are available for inspection upon prior written request during usual business hours at the specified offices of each of the Paying Agents, the Registrars and the Transfer Agents.

1 Form, Denomination and Title

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) and integral multiples in excess thereof shown hereon subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency.

Notes sold in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) will be Registered Notes.

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

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

Registered Notes will be represented by:

- (i) individual Certificates in registered form (“**Individual Certificates**”); or
- (ii) one or more unrestricted global certificates (“**Unrestricted Global Certificate(s)**”) in the case of Registered Notes sold outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (“**Unrestricted Notes**”) and/or one or more restricted global certificates (“**Restricted Global Certificates**” and, together with Individual Certificates and Unrestricted Global Certificates, “**Certificates**”) in the case of Registered Notes sold to “**qualified institutional buyers**” as defined in and in reliance on Rule 144A under the Securities Act (“**Restricted Notes**”).

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the relevant register that the Issuer shall procure to be kept by the relevant Registrar in accordance with the provisions of the Fiscal Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

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

2 No Exchange of Notes and Transfers of Registered Notes

(a) No Exchange of Notes

Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

Subject to Conditions 2(f) and 2(g), one or more Registered Notes may be transferred upon the surrender (at the specified office of the relevant Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other

evidence as the relevant Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the relevant Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Fiscal Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the relevant Registrar and the Noteholders. A copy of the current regulations will be made available by the relevant Registrar to any Noteholder for inspection at the specified office to the Registrar during usual business hours (being between 9:00 a.m. (Hong Kong time) to 3:00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays)) upon prior written request and proof of holding and identity to the satisfaction of the Registrar.

(c) *Exercise of Options or Partial Redemption in Respect of Registered Notes*

In the case of an exercise of the Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the relevant Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) *Delivery of New Certificates*

Each new Certificate to be issued pursuant to Conditions 2 (b) or (c) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the relevant Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer, Exercise Notice 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 Agent (as defined in the Fiscal Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the relevant Registrar (as the case may be).

(e) *Transfer Free of Charge*

Transfers of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrars or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the relevant Registrar or the relevant Transfer Agent may require).

(f) *Closed Periods*

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days before any date on which Notes may be called for

redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

(g) Regulations Concerning Transfers and Registration

All transfers of Registered Notes and entries on the relevant Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Fiscal Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrars. A copy of the current regulations will be mailed (free of charge) by the Registrars to any Noteholder who requests in writing a copy of such regulations.

3 Status

The Notes and the Receipts and the Coupons relating to them constitute direct, unconditional, unsubordinated and, subject to the creation of any security permitted or approved in accordance with Condition 4, unsecured obligations of the Issuer. The Notes and the Receipts and the Coupons will at all times rank *pari passu* among themselves and at least *pari passu* with all other existing and future unsubordinated and unsecured Public External Indebtedness (as defined in Condition 4) from time to time outstanding.

4 Negative pledge

So long as any Note remains outstanding (as defined in the Fiscal Agency Agreement), China Eximbank shall not create or permit to subsist any Security Interest on any of its present or future assets or revenues to secure the payment of, or any guarantee or indemnity in respect of, any Public External Indebtedness unless the Notes and the Coupons are secured by such Security Interest *pari passu* with such other Public External Indebtedness. This provision, however, will not apply to any (i) security interest on any property or asset existing at the time of acquisition of such property or asset or to secure the payment of all or any part of the purchase price or construction cost thereof or to secure any indebtedness incurred prior to, or at the time of, such acquisition or the completion of construction of such property or asset for the purpose of financing all or any part of the purchase price or construction cost thereof, (ii) any security interest in existence on the Issue Date to the extent that it secures any Public External Indebtedness outstanding on such date, or (iii) any lien arising by operation of law.

In these Conditions:

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

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

“**PRC**” means the People’s Republic of China excluding Hong Kong, Macau and Taiwan;

“**Public External Indebtedness**” means any indebtedness of China Eximbank for money borrowed or any guarantee or indemnity by China Eximbank of indebtedness for money borrowed which, in either case, (i) has an original maturity of more than 365 days and (ii) is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instruments which is, or is capable of being, quoted, listed or traded on any stock exchange or over-the-counter or other similar securities market outside the PRC (without regard, however, to whether or not such instruments are sold through public offerings or private placements); provided that Public External Indebtedness shall not include any such indebtedness for borrowed money owed to any financial institution in the PRC; and

“**Security Interest**” means any mortgage, charge, pledge, lien or other security interest or other form of encumbrance having an economic effect similar to any of the foregoing under the laws of any jurisdiction.

5 Interest and other Calculations

(a) *Interest on Fixed Rate Notes*

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

(b) *Interest on Floating Rate Notes*

(i) *Interest Payment Dates*

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

(ii) *Business Day Convention*

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

(iii) *Rate of Interest for Floating Rate Notes*

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

(A) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a

rate equal to the Floating Rate that would be determined by the Calculation Agent (provided that the Calculation Agent is a party to the Swap Transaction) under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) if the applicable Pricing Supplement specifies either “2006 ISDA Definitions” or “2021 ISDA Definitions” as the applicable ISDA Definitions:
 - (1) the Floating Rate Option (as defined in the relevant ISDA Definitions) is as specified in the applicable Pricing Supplement;
 - (2) the Designated Maturity (as defined in the relevant ISDA Definitions), if applicable, is a period specified in the applicable Pricing Supplement;
 - (3) the relevant Reset Date (as defined in the relevant ISDA Definitions) is as specified in the applicable Pricing Supplement;
 - (4) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the relevant ISDA Definitions), Compounding is specified in the applicable Pricing Supplement and:
 - (i) Compounding with Lookback is specified as the Compounding Method in the applicable Pricing Supplement, Lookback is the number of Applicable Business Days (as defined in the relevant ISDA Definitions) specified in the applicable Pricing Supplement;
 - (ii) Compounding with Observation Period Shift is specified as the Compounding Method in the applicable Pricing Supplement, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the relevant ISDA Definitions) specified in the applicable Pricing Supplement and (b) Observation Period Shift Additional Business Days (as defined in the relevant ISDA Definitions), if applicable, are the days specified in the applicable Pricing Supplement; or
 - (iii) Compounding with Lockout is specified as the Compounding Method in the applicable Pricing Supplement, (a) Lockout is the number of Lockout Period Business Days (as defined in the relevant ISDA Definitions) specified in the Pricing Supplement and (b) Lockout Period Business Days, if applicable, are the days specified in the applicable Pricing Supplement; and
 - (5) if the specified Floating Rate Option is an Index Floating Rate Option (as defined in the relevant ISDA Definitions) and Index Provisions are specified to be applicable in the relevant Pricing Supplement, the Compounded Index Method with Observation Period Shift shall be applicable and, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the relevant ISDA Definitions) specified in the applicable Pricing Supplement and (b) Observation Period Shift Additional Business Days (as defined in the relevant ISDA Definitions) are the days, if applicable, specified in the applicable Pricing Supplement);
 - (6) references in the relevant ISDA Definitions to:

- (i) “**Confirmation**” shall be deemed to be references to the applicable Pricing Supplement;
 - (ii) “**Calculation Period**” shall be deemed to be references to the relevant Interest Accrual Period;
 - (iii) “**Termination Date**” shall be deemed to be references to the Maturity Date; and
 - (iv) “**Effective Date**” shall be deemed to be references to the Interest Commencement Date; and
- (y) if the applicable Pricing Supplement specifies “2021 ISDA Definitions” as the applicable ISDA Definitions:
 - (1) Administrator/Benchmark Event shall be disapplied; and
 - (2) if the Temporary Non-Publication Fallback for any specified Floating Rate Option is specified to be “Temporary Non-Publication – Alternative Rate” in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to “Calculation Agent Alternative Rate Determination” in the definition of “Temporary Non-Publication – Alternative Rate” shall be replaced by “Temporary Non-Publication Fallback – Previous Day’s Rate”.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**” and “**Swap Transaction**” have the meanings given to those terms in either the “2006 ISDA Definitions” or “2021 ISDA Interest Rate Derivatives Definitions” as the applicable ISDA Definitions.

- (B) Screen Rate Determination for Floating Rate Notes (other than Notes where the Reference Rate is specified as being SOFR Benchmark)
 - (x) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined where the Reference Rate is not SOFR Benchmark, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:
 - (1) the offered quotation; or
 - (2) the arithmetic mean of the offered quotations,

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

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

- (y) if the Relevant Screen Page is not available or, if sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Issuer shall request, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, or, if the Reference Rate is HIBOR or CNH HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR or CNH HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR or CNH HIBOR, the Hong Kong inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant

Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

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

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

The “**SOFR Benchmark**” will be determined based on Simple SOFR Average, Compounded SOFR Average or SOFR Compounded Index (as specified in the relevant Pricing Supplement), as follows (subject in each case to Condition 5(b)(v) (Benchmark discontinuation (SOFR Benchmark))):

- (x) If Simple SOFR Average (“**Simple SOFR Average**”) is specified in the relevant Pricing Supplement as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Accrual Period shall be the arithmetic mean of the SOFR reference rates for each day during such Interest Accrual Period, as calculated by the Calculation Agent, and where, if applicable and as specified in the relevant Pricing Supplement, the SOFR reference rate on the SOFR Rate Cut-Off Date shall be used for the days in the relevant Interest Accrual Period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the last day of that Interest Accrual Period.
- (y) If Compounded SOFR Average (“**Compounded SOFR Average**”) is specified in the relevant Pricing Supplement as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant Interest Accrual Period (where SOFR Observation Lag, SOFR Payment Delay or SOFR Lockout is specified in the relevant Pricing Supplement to determine Compounded SOFR Average) or SOFR Observation Period (where SOFR Observation Shift is specified as applicable in the relevant Pricing Supplement to determine Compounded SOFR Average).

Compounded SOFR Average shall be calculated by the Calculation Agent in accordance with the relevant formula referenced below depending upon which is specified in the relevant Pricing Supplement:

1. SOFR Observation Lag:

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

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded

down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

“**SOFR_{i-USD}**” for any U.S. Government Securities Business Day(i) in the relevant Interest Accrual Period, is equal to the SOFR reference rate for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day(i);

“**Lookback Days**” means such number of U.S. Government Securities Business Days as specified in the relevant Pricing Supplement;

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

“**d_o**” means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

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

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

2. SOFR Observation Shift:

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

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

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

“**SOFR Observation Period**” means, in respect of each Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the last day of such Interest Accrual Period;

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

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

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

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

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

3. SOFR Payment Delay:

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

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

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

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

“**Interest Payment Delay Days**” means the number of Business Days as specified in the relevant Pricing Supplement;

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

“**d_o**” means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

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

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

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

4. SOFR Lockout:

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

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

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

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

“**d_o**” means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

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

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

The following defined terms shall have the meanings set out below for purpose of this Condition 5(b)(iii)(C) and Condition 5(b)(v) (Benchmark discontinuation (SOFR Benchmark)):

“Bloomberg Screen SOFRRATE Page” means the Bloomberg screen designated “SOFRRATE” or any successor page or service;

“Reuters Page USDSOFR=” means the Reuters page designated “USDSOFR=” or any successor page or service;

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

- (a) the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Bloomberg Screen SOFRRATE Page; the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Reuters Page USDSOFR=; or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator’s Website;
- (b) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the SOFR reference rate shall be the reference rate published on the SOFR Administrator’s Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website; or
- (c) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 5(b)(v) (Benchmark discontinuation (SOFR Benchmark)) shall apply;

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

- (z) If SOFR Compounded Index (**“SOFR Compounded Index”**) is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant SOFR Observation Period as calculated by the Calculation Agent as follows:

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

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654

per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

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

- (a) the SOFR Index value as published on the SOFR Administrator’s Website at or about 3:00 p.m. (New York time) on such U.S. Government Securities Business Day (the “**SOFR Index Determination Time**”); provided that in the event that the value originally published by the SOFR Administrator at or about 3:00 p.m. (New York time) on any U.S. Government Securities Business Day is subsequently corrected and such corrected value is published by the SOFR Administrator on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SOFR Index value as of the SOFR Index Determination Time in relation to such U.S. Government Securities Business Day; and
- (b) if a SOFR Index value does not so appear as specified in (a) above of this definition, then:
 - (i) if a Benchmark Event (as defined in Condition 5(b)(v)) and its related Benchmark Replacement Date (as defined in Condition 5(b)(v)) have not occurred with respect to SOFR, then SOFR Compounded Index shall be the rate determined pursuant to Condition 5(b)(iii)(D) (SOFR Index Unavailable); or
 - (ii) if a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to SOFR, then SOFR Compounded Index shall be the rate determined pursuant to Condition 5(b)(v) (Benchmark Replacement (SOFR Benchmark)).

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

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

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

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

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

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

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

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

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

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

“**SOFR Rate Cut-Off Date**” has the meaning given in the relevant Pricing Supplement; and

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

(D) SOFR Index Unavailable

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

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

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

where:

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

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

“**i**” means a series of whole numbers ascending from one to d_o, each representing the relevant U.S. Government Securities Business Days in chronological order from (and

including) the number of U.S. Government Securities Business Day as specified in the relevant Pricing Supplement in the relevant SOFR Observation Period (each a **“U.S. Government Securities Business Day(i)”**);

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

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

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

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

“SOFR” means, with respect to any U.S. Government Securities Business Day:

- (x) the Secured Overnight Financing Rate published at the SOFR Determination Time, as such rate is reported on the Bloomberg Screen SOFRRATE Page, the Secured Overnight Financing Rate published at the SOFR Determination Time, as such rate is reported on the Reuters Page USDSOFR=, or the Secured Overnight Financing Rate that appears at the SOFR Determination Time on the SOFR Administrator’s Website; or
- (y) if the rate specified in (x) above does not appear, the SOFR published on the SOFR Administrator’s Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website;

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

“SOFR Administrator’s Website” means the website of the SOFR Administrator (currently being, <https://apps.newyorkfed.org/markets/autorates/sofr-avg-ind>), or any successor source;

“SOFR Determination Time” means on or about 3:00 p.m. (New York City time) on the immediately following U.S. Government Securities Business Day;

“SOFR Observation Period” means, in respect of each Interest Accrual Period, the period from (and including) the date falling a number of U.S. Government Securities Business Days equal to the Observation Shift Days preceding the first date in such Interest Accrual Period to (but excluding) the date falling a number of U.S. Government Securities Business Days equal to the number of Observation Shift Days preceding the last day of such Interest Accrual Period;

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

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

(iv) *Benchmark discontinuation (other than Notes where the Original Reference Rate is specified as being SOFR Benchmark)*

(A) Independent Adviser

(x) Where the Original Reference Rate is not SOFR Benchmark, if a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (determined in accordance with Condition 5(b)(iv)(B)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 5(b)(iv)(D)). In making such determination, the Independent Adviser appointed pursuant to this Condition 5(b)(iv)(A) shall act in good faith and in a commercially reasonable manner as an expert. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Paying Agents, the Noteholders, the holders of Receipts or the Couponholders for any determination made by it, pursuant to this Condition 5(b)(iv).

(y) If the Issuer is unable to appoint an Independent Adviser in accordance with the Condition 5(b)(iv)(A)(x), or the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with Condition 5(b)(iv)(B) prior to the relevant Interest Determination Date, the Issuer, acting in good faith and in a commercially reasonable manner, may still determine (i) a Successor Rate or Alternative Rate and (ii) in either case, an Adjustment Spread and/or any Benchmark Amendments in accordance with Condition 5(b)(iv)(B) (with the relevant provisions in this Condition 5(b)(iv) applying mutatis mutandis to allow such determinations to be made by the Issuer without consultation with an Independent Adviser). Where this Condition 5(b)(iv)(A)(y) applies, without prejudice to the definitions thereof, for the purposes of determining any Successor Rate, Alternative Rate, Adjustment Spread and/or Benchmark Amendments (as the case may be), the Issuer will take into account any relevant and applicable market precedents and customary market usage as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets.

(z) If Condition 5(b)(iv)(A)(y) applies and the Issuer fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with Condition 5(b)(iv)(B) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be

applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period. For the avoidance of doubt, this Condition 5(b)(iv)(A)(z) shall apply to the relevant next succeeding Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in Condition 5(b)(iv)(A)(x) or (y) as applicable.

(B) Successor Rate or Alternative Rate

If the Independent Adviser or the Issuer, as the case may be, determines that:

- (x) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(b)(iv)); or
- (y) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(b)(iv)).

(C) Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser or the Issuer, as the case may be, is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(D) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5(b)(iv) and the Independent Adviser or the Issuer, as the case may be, determines (i) that amendments to these Conditions and/or the Fiscal Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(b)(iv)(E), without any requirement for the consent or approval of Noteholders or the Agents, vary these Conditions and/or the Fiscal Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 5(b)(iv)(D), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(E) Notices, etc.

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 5(b)(iv) will be notified promptly by the Issuer to the Fiscal Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 14, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by an authorised signatory of the Issuer:

- (a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(b)(iv); and
- (b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Fiscal Agent shall display such certificate at its offices, for inspection by the Noteholders at all reasonable times during normal business hours.

Each of the Fiscal Agent, the Calculation Agents and the Paying Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Fiscal Agent's or the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agents and the Noteholders.

(F) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 5(b)(iv)(A), (B), (C) and (D), the Original Reference Rate and the fallback provisions provided for in Condition 5(b)(iii)(B)(y) and (z) will continue to apply unless and until a Benchmark Event has occurred.

As used in this Condition 5(b)(iv)

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

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
- (ii) the Independent Adviser or the Issuer, as the case may be, determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the

case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if Independent Adviser determines that no such spread is customarily applied);

- (iii) the Independent Adviser or the Issuer, as the case may be, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

“Alternative Rate” means an alternative to the Reference Rate which the Independent Adviser or the Issuer, as the case may be, determines in accordance with Condition 5(b)(iv)(B) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

“Benchmark Amendments” has the meaning given to it in Condition 5(b)(iv)(D).

“Benchmark Event” means, in respect of an Original Reference Rate for Notes (other than Notes where the Original Reference Rate is specified as being SOFR Benchmark):

- (i) such Original Reference Rate ceasing to be published for a period of at least 5 consecutive Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate that, in the view of such supervisor, the Original Reference Rate is no longer representative of an underlying market or the methodology to calculate the Original Reference Rate has materially changed; or
- (v) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes, or that its use will be subject to restrictions or adverse consequences; or
- (vi) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate;

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

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5(b) (iv) (A).

“Original Reference Rate” means the originally-specified Reference Rate used to determine the Rate of Interest (or any component part thereof) on the Notes.

“Relevant Nominating Body” means, in respect of a Reference Rate:

- (i) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

“Successor Rate” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

(v) *Benchmark discontinuation (SOFR Benchmark)*

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

(A) Benchmark Replacement

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

(B) Benchmark Replacement Conforming Changes

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

(C) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 5(b)(v), including any determination with respect to a tenor,

rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (i) will be conclusive and binding absent manifest error, (ii) will be made in the sole discretion of the Issuer or its designee, as applicable, and (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the Noteholders or any other party.

The following defined terms shall have the meanings set out below for purpose of Condition 5(b)(iii)(C) (Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SOFR Benchmark) and this Condition 5(b)(v):

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

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

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

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

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

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

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

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

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not

administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

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

- (x) in the case of sub-paragraph (x) or (y) of the definition of **“Benchmark Event”**, the later of:
 - (a) the date of the public statement or publication of information referenced therein; and
 - (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (y) in the case of sub-paragraph (z) of the definition of **“Benchmark Event”**, the date of the public statement or publication of information referenced therein.

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

“designee” means a designee as selected and separately appointed by the Issuer in writing;

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

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

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

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

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(c) Zero Coupon Notes

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

(d) Dual Currency Notes

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

(e) Accrual of Interest

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(f) Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding

- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph.
- (ii) If any Maximum Rate of Interest, Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant figure shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.

(g) Calculations

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Accrual Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Accrual Period shall be the sum of the Interest Amounts payable in respect of

each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(h) *Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts*

The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Accrual Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Accrual Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(i) *Definitions*

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Business Day**” means:

- (i) in the case of a currency other than euro and Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of euro, a day on which the TARGET System is operating (a “**TARGET Business Day**”); and/or
- (iii) in the case of Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong; and/or
- (iv) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such

currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual – ISDA**” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “**Actual/365 (Sterling)**” is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366
- (iv) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

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

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

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

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

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

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30.

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30.

- (vii) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30

- (viii) if “**Actual/Actual-ICMA**” is specified hereon,

- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date.

“Determination Date” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“Interest Accrual Period” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Period Date and each successive period beginning on and including an Interest Period Date and ending on but excluding the next succeeding Interest Period Date unless specified hereon.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Accrual Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling, Hong Kong dollars or Renminbi (other than where the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR) or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro nor Hong Kong dollars nor Renminbi or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro or (iv) the day falling two Business Days in Hong Kong for Renminbi prior to the first day of such Interest Accrual Period if the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“ISDA Definitions” means (i) if “2006 ISDA Definitions” is specified in the applicable Pricing Supplement, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (“ISDA”), as amended and updated as at the Issue Date of the first Tranche of the Notes; or (ii) if “2021 ISDA Definitions” is specified in the applicable Pricing Supplement, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, including any Matrices referred to therein, as published by ISDA as at the Issue Date of the first Tranche of the Notes.

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong inter-bank market and, in the case of a determination of CNH HIBOR, the principal Hong Kong office of four major banks dealing in Chinese Yuan in the Hong Kong inter-bank market, in each case selected by the Calculation Agent or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon (or any successor or replacement page, section, caption, column or other part of a particular information service).

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as T2) System which was launched on 19 November 2007 or any successor or replacement system.

(j) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6 Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

- (ii) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) Early Redemption

(i) Zero Coupon Notes

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c), Condition 6(d) or Condition 6(e) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c), Condition 6(d) or Condition 6(e) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) Other Notes

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c), Condition 6(d) or Condition 6(e) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) Redemption for Taxation Reasons

Notes issued by an overseas branch may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time, (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) and to the Fiscal Agent and the relevant Paying Agent, at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of

the Relevant Jurisdictions (as defined in Condition 8), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (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 amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Fiscal Agent a certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

(d) *Redemption at the Option of the Issuer*

If Call Option is specified in the applicable Pricing Supplement, the Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders (or such other notice period as may be specified in the applicable Pricing Supplement) and to the Fiscal Agent and the relevant Paying Agent redeem, all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(e) *Redemption at the Option of Noteholders*

If Put Option is specified in the applicable Pricing Supplement, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 30 nor more than 60 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the relevant Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the relevant Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Fiscal Agency Agreement) without the prior consent of the Issuer.

(f) **Purchases**

Subject to applicable law and regulations, the Issuer may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. All Notes purchased by the Issuer may, at the Issuer's discretion, be held, resold or surrendered for cancellation.

(g) **Cancellation**

All Notes purchased by or on behalf of the Issuer may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the relevant Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7 Payments and Talons

(a) **Bearer Notes**

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be:

- (i) in the case of Notes denominated in a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System; and
- (ii) in the case of Notes denominated in Renminbi, by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

(b) **Registered Notes**

- (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the relevant Registrar and in the manner provided in paragraph (ii) below.
- (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the relevant Register at the close of business on the fifth (in the case of Notes denominated in Renminbi) and fifteenth (in the case of Notes denominated in a currency other than Renminbi) business day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made:

- (x) in the case of Notes denominated in a currency other than Renminbi, in the relevant currency by cheque drawn on a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System and mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the relevant Register. Upon application by the holder to the specified office of the relevant Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System; and
- (y) in the case of Notes denominated in Renminbi, by transfer to an account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the relevant Register at the close of business on the fifth business day before the due date for payment.

(c) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) *Payments subject to Fiscal Laws*

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders in respect of such payments.

(e) *Appointment of Agents*

The Fiscal Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrars, the Transfer Agents and the Calculation Agent initially appointed by China Eximbank and their respective specified offices are listed below. The Fiscal Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrars, Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, the CMU Lodging and Paying Agent, any other Paying Agent, the Registrars, any Transfer Agent or any Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) the relevant Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through the CMU, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) a Paying Agent having a specified office in Singapore so long as any Notes are listed on the Singapore Exchange Securities Trading Limited and the rules of that exchange so require and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 7(c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) *Unmatured Coupons and Receipts and unexchanged Talons*

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes), those Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Bearer Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) *Non-Business Days*

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7, “**business day**” means a day (other than a Saturday or

a Sunday) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:

- (i) (in the case of a payment in a currency other than euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
- (ii) (in the case of a payment in euro) which is a TARGET Business Day; or
- (iii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

8 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Relevant Jurisdiction, unless such deduction or withholding is required by law of any of the Relevant Jurisdiction. In that event, the relevant Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon for or on account of:

- (a) a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of its having some connection with the Relevant Jurisdiction by which such taxes, duties, assessments or charges have been imposed or levied, other than the mere holding of the Note, Receipt or Coupon; or
- (b) a holder who would not be liable for or subject to such deduction or withholding by making a declaration of identity, non-residence, or other similar claim for exemption to the relevant tax authority if, after having been requested to make such a declaration or claim, such holder fails to do so, or
- (c) a holder presenting the Note, Receipt or Coupon (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to such additional amounts if it had surrendered the relevant Certificate on the last day of such period of 30 days.

The obligation of the Issuer to pay additional amounts in respect of taxes, duties, assessments and other governmental charges shall not apply (i) to any estate, inheritance, gift, sales, transfer, personal property or any similar tax, duty, assessment or other governmental charge, or (ii) to any tax, duty, assessment or other governmental charge which is payable otherwise than by deduction or withholding from payments of principal of or interest, or (iii) where deduction or withholding is required pursuant to Section 1471(b) of U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

As used in these Conditions:

- (a) “**Relevant Date**” in respect of any Note, Receipt or Coupon 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 seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or

relative Certificate), Receipt or Coupon being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such presentation; and

- (b) **“Relevant Jurisdiction”** means, in respect of China Eximbank as Issuer, the PRC (as defined in Condition 10), and, in respect of a branch of China Eximbank as Issuer, PRC (as defined in Condition 10) and the country where that Issuer is located and in each case any political subdivision or authority thereof or therein having power to tax.

References in these Conditions to (i) **“principal”** shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) **“interest”** shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) **“principal”** and/or **“interest”** shall be deemed to include any additional amounts that may be payable under this Condition 8.

9 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or six years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Events of Default

If any of the following events (**“Events of Default”**) occurs and is continuing, the holder of any Note may give written notice to the Issuer and the Fiscal Agent at the specified office of the Fiscal Agent that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable unless such event of default shall have been remedied prior to the receipt of such notice by the Fiscal Agent:

- (a) **Non-Payment:** failure by the Issuer to pay any amount of principal, premium (if any) or interest in respect of the Notes on the due date for payment thereof and such default continues for 30 days or more; or
- (b) **Breach of Other Obligations:** default by China Eximbank or the relevant Issuer, in performance or observance of any of its other obligations under or in respect of the Notes or the Fiscal Agency Agreement and such default remains unremedied for 60 days following receipt by it of written notice of such default (with a copy to the Fiscal Agent), by holders of an aggregate principal amount of not less than 10 per cent. of the outstanding Notes, to remedy such failure; or
- (c) **Cross-Default:** failure by China Eximbank or the relevant Issuer to make any payment of principal or interest when due in excess of U.S.\$100,000,000 (or its equivalent in any other currency or currencies) payable (whether upon maturity, acceleration or otherwise) on or in connection with Public External Indebtedness (other than that represented by the Notes) or guarantees given by China Eximbank or the relevant Issuer in respect of Public External Indebtedness of others, and such failure by China Eximbank or the relevant Issuer to make payment or to validly reschedule the payment (with the consent of the persons to which such Public External Indebtedness is owed) of such Public External Indebtedness continues for 30 days or more after the expiry of any applicable grace period following the date on which such payment became due; or
- (d) **Moratorium:** an order is issued or any other action is taken by appropriate authorities of or in the PRC for China Eximbank’s dissolution or merger or consolidation (except where China Eximbank is the

continuing entity) or for the transfer or assignment of the whole or a material part of China Eximbank's assets except, in either case, where all of China Eximbank's obligations under the Notes then outstanding are legally assumed by another agency designated by the State Council of the PRC; provided that (i) such agency is a solvent financial institution organised and existing under the laws of the PRC, (ii) such agency is controlled, directly or indirectly, by the PRC, (iii) such agency assumes in writing all of China Eximbank's obligations under the Notes, and (iv) immediately after giving effect to such transaction no event of default or event or condition that, with the giving of notice or the lapse of time or both, would become an event of default has occurred and is continuing; or

- (e) **Ownership:** the PRC government ceasing to own at least 51 per cent. of the equity interest in China Eximbank; or
- (f) **No credit and liquidity support:** save where the PRC central government shall guarantee or otherwise assume the indebtedness and all of China Eximbank's obligations evidenced by the Notes and the Fiscal Agency Agreement, the PRC government ceases or fails to provide the credit support stipulated in the Articles of Association and the PBOC (or the successor central bank of the PRC) ceases or fails to provide the liquidity support stipulated in the Special Decree of the State Council of China dated March 19, 1994 (the "**Special Decree**") as in effect as of the Issue Date of the Notes or the Articles of Association and the Special Decree (i) are modified in a manner which prejudices the rights of the Noteholders or (ii) cease to be valid or effective unless they are replaced by such articles of association, enactment or legislation which are not prejudicial to the rights of Noteholders.

The Issuer shall notify Noteholders and the Fiscal Agent promptly upon becoming aware of the occurrence of any Event of Default, but will not be obligated to furnish any periodic evidence as to the absence of defaults.

11 Meeting of Noteholders and Modifications

(a) *Calling of Meeting, Notice and Quorum*

The Issuer may call a meeting of holders of Notes at any time and from time to time to make, give or take any request, demand, authorisation, direction, notice, consent, waiver or other action provided by the Fiscal Agency Agreement or the Notes to be made, given or taken by the Noteholders or to modify, amend or supplement the terms and conditions of the Notes. Any such meeting shall be held at such time and at such place in Hong Kong as China Eximbank or the relevant Issuer, as the case may be, shall determine and as shall be specified in a notice of such a meeting that shall be furnished to the holders of Notes at least 30 days and not more than 60 days prior to the date fixed for the meeting. In addition, the Fiscal Agent may at any time and from time to time call a meeting of holders of Notes, for any such purpose, to be held at such time and at such place in Hong Kong as the Fiscal Agent shall determine, after consultation with China Eximbank or the relevant Issuer, as the case may be, and as shall be specified in a notice of such meeting that shall be furnished to the Noteholders, at least 30 days and no more than 60 days prior to the date fixed for the meeting. In the event that at any time the holders of at least 15 per cent. in aggregate principal amount of the outstanding Notes shall have requested the Fiscal Agent to call a meeting of holders of Notes, for any such purpose as specified above, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, the Fiscal Agent shall call such meeting for such purposes by giving notice thereof. Such notice shall be given at least 30 days and not more than 60 days prior to the meeting. Notice of every meeting of holders of Notes shall set forth the time and place of the meeting and in general terms the action proposed to be taken at such meeting. In the case of any meeting to be reconvened after adjournment for lack of a quorum, notice of

such meeting shall be given not less than 10 nor more than 15 days prior to the date fixed for such meeting.

The consent or approval of the Noteholders shall not be required in the case of amendments to the Conditions pursuant to Condition 5(b)(iv) to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes or for any other variation of these Conditions and/or the Agency Agreement required to be made in the circumstances described in Condition 5(b)(iv), where the Issuer has delivered to the Fiscal Agent a certificate pursuant to Condition 5(b)(iv)(E).

The holders entitled to vote 66.67 per cent. of the aggregate principal amount of the outstanding Notes shall, other than in respect of a Reserved Matter (as defined below), constitute a quorum. At the reconvening of any meeting adjourned for a lack of a quorum, the persons entitled to vote 25 per cent. of the aggregate principal amount of the outstanding Notes shall constitute the quorum for the taking of any action set forth in the notice of the original meeting. For the purposes of a meeting of holders of Notes that proposes to discuss a Reserved Matter (as defined below), the holders entitled to vote 75 per cent. of the aggregate principal amount of the outstanding Notes shall constitute a quorum. In the absence of a quorum, a meeting shall be adjourned for a period of at least 20 days. The Fiscal Agent, after consultation with China Eximbank, may make such reasonable and customary regulations consistent herewith as it shall deem advisable for any meeting of the Noteholders, including attendance at such meeting and voting, the proof of the appointment of proxies in respect of holders of the Notes, the adjournment and chairmanship of such meeting, the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem appropriate.

(b) Voting and Consents

If sanctioned by an Extraordinary Resolution (as defined below), China Eximbank or the relevant Issuer, as the case may be, may modify, amend or supplement the terms of the Notes in any way, and the Noteholders may make, take or give any request, demand, authorisation, direction, notice, consent, waiver (including waiver of future compliance or past default) or other action given or taken by the Noteholders; provided, however, that the following matters (“**Reserved Matters**” and each, a “**Reserved Matter**”) shall require (i) the affirmative vote of the holders of not less than 75 per cent. of the aggregate principal amount of the Notes then outstanding represented at such meeting, or (ii) the resolutions of the holders of not less than 75 per cent. of the aggregate principal amount of the Notes then outstanding passed by Written Resolution (as defined in Schedule 3 of the Fiscal Agency Agreement) or Electronic Consent (as defined in Schedule 3 of the Fiscal Agency Agreement): (A) change the due dates for the maturity or redemption of any Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes; (B) reduce or cancel the principal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes; (C) reduce the interest rate or rates on any Note or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes; (D) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (E) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount (F) change the currency or denomination or places in which payment of interest or principal in respect of the Notes is payable; (G) reduce the above-stated percentage of the principal amount of outstanding Notes the vote or consent of the holders of which is necessary to modify, amend or supplement the terms and conditions of the Notes or to make, take or give any request, demand, authorisation, direction, notice, consent, waiver or other action provided

hereby or thereby to be made, taken or given; (H) change the obligation of China Eximbank or the relevant Issuer, as the case may be, to pay additional amounts as provided in Condition 8; or (I) change the status of the Notes as described in Condition 3.

In these Conditions, “**Extraordinary Resolution**” means (a) in respect of a matter other than a Reserved Matter a resolution passed at a meeting of holders of Notes, duly convened and held in accordance with these Conditions, by a majority of not less than 66.67 per cent. of the aggregate principal amount of Notes then outstanding represented at such meeting; and (b) in respect of a Reserved Matter a resolution passed at a meeting of holders of Notes, duly convened and held in accordance with these Conditions, by a majority of not less than 75 per cent. of the aggregate principal amount of Notes then outstanding represented at such meeting.

In addition, and notwithstanding the foregoing, at any meeting of holders of Notes duly called and held as specified above, upon the affirmative vote of the holders of not less than 66.67 per cent. of aggregate principal amount of the Notes then outstanding represented at such meeting, or by the written consent of the holders of not less than 66.67 per cent. of aggregate principal amount of the Notes then outstanding, the Noteholders may rescind a declaration of the acceleration of the principal amount thereof if the Event of Default, or Events of Default, giving rise to the declaration have been cured or remedied and provided that no other Event of Default has occurred and is continuing.

The Issuer, without the vote or consent of any Noteholders, may amend the Notes for the purpose of (i) adding to the covenants of the Issuer, for the benefit of the Noteholders, or (ii) surrendering any right or power conferred upon China Eximbank or the relevant Issuer, as the case may be, in respect of the Notes, or (iii) providing security or collateral for the Notes, or (iv) curing any ambiguity in any provision, or curing, correcting or supplementing any defective provision, contained herein or in the Notes in a manner which does not adversely affect the rights or interests of any Noteholders, or (v) effecting any amendment which the Issuer, deem necessary or desirable so long as any such amendment is not inconsistent with the Notes and does not, and will not, adversely affect the rights or interests of any Noteholders.

It shall not be necessary for the vote or consent of the Noteholders to approve the particular form of any proposed modification, amendment, supplement, request, demand, authorisation, direction, notice, consent, waiver or other action, but it shall be sufficient if such vote or consent shall approve the substance thereof.

(c) *Binding Nature of Amendments, Notices, Notations, etc.*

Any instrument given by or on behalf of any Noteholder in connection with any consent to or vote for any such modification, amendment, supplement, request, demand, authorisation, direction, notice, consent, waiver or other action shall be irrevocable once given and shall be conclusive and binding on all subsequent Noteholder or any Note issued directly or indirectly in exchange or substitution therefor or in lieu thereof. Any such modification, amendment, supplement, request, demand, authorisation, direction, notice, consent, waiver or other action taken, made or given in accordance with Condition 11(b) hereof shall be conclusive and binding on all Noteholders, whether or not they have given such consent or cast such vote or were present at any meeting, and whether or not notation of such modification, amendment, supplement, request, demand, authorisation, direction, notice, consent, waiver or other action is made upon the Notes. Notice of any modification or amendment of, supplement to, or request, demand, authorisation, direction, notice, consent, waiver or other action with respect to the Notes or the Fiscal Agency Agreement (other than for purposes of curing any ambiguity or of curing, correcting or supplementing any defective provision hereof or thereof) shall be given to such Noteholders affected thereby, in all cases as provided in the Notes.

12 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the relevant Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in these Conditions to “**Issue Date**” shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to “**Notes**” shall be construed accordingly.

14 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the relevant Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of bearer Notes shall be valid if published in English in the *South China Morning Post* and in Chinese in *Hong Kong Economic Times*. If any such publication is not practicable, notice shall be validly given if published in an English and/or Chinese language newspaper, as the case may be, with general circulation in Hong Kong. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 14.

15 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

16 Governing Law and Arbitration

(a) Governing Law

The Notes, the Receipts, the Coupons and the Talons 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 except that all matters governing authorisation by China Eximbank shall be subject to the laws of the PRC.

(b) *Arbitration*

Any dispute, controversy or claim arising out of or in relation to any Notes, Receipts, Coupons or Talons, including the validity, invalidity, branch or termination thereof and any non-contractual obligations arising out of or in connection with them shall be settled by arbitration in Hong Kong under the Hong Kong International Arbitration Centre Administered Arbitration Rules in force when the Notice of Arbitration is submitted in accordance with those rules. The number of arbitrators shall be three. The arbitration proceedings shall be conducted in English.

(c) *Waiver of immunity*

In respect of any legal proceedings, China Eximbank and each Issuer irrevocably consents to the making, enforcement or execution of any order or judgment or arbitral awards, and to the extent that China Eximbank or a relevant Issuer may in any jurisdiction (including Hong Kong) claim for itself or its assets, or have attributed to itself or its assets, any right of immunity on the grounds of sovereignty from any legal action, suit, proceeding (including arbitration), execution, attachment or other legal process, China Eximbank and each Issuer hereby waives, irrevocably agrees not to claim and will waive such immunity in the face of the courts (as required) to the fullest extent permitted by law.

SIGNIFICANT DIFFERENCES BETWEEN PRC ACCOUNTING STANDARDS AND INTERNATIONAL FINANCIAL REPORTING STANDARDS

China Eximbank's financial statements appearing in this Offering Circular under "Financial Accounting Matters – Report of General Manager (Financial Management and Accounting Department)" were prepared in accordance with the accounting principles and practices promulgated by the Ministry of Finance under the PRC laws, rules and regulations. Such principles and practices may differ in material respects from generally accepted accounting principles in other jurisdictions. The following is a summary of significant differences between such PRC accounting standards as applicable to China Eximbank and IFRS. You should note that this is a summary only and is not meant to be an exhaustive description of all significant differences between these accounting standards.

Current Accounting Policies Adopted by China Eximbank

Since January 1, 2021, China Eximbank has adopted the Accounting Standards for Enterprises No. 22 – recognition and measurement of financial instruments (CK [2017] No. 7), the Accounting Standards for Enterprises No. 23 – transfer of financial assets (CK [2017] No. 8), the Accounting Standards for Enterprises No. 24 – hedge accounting (CK [2017] No. 9) and the Accounting Standards for Enterprises No. 37 – presentation of financial instruments (CK [2017] No. 14), all issued by the Ministry of Finance in 2017. Since January 1, 2021, China Eximbank has also adopted other relevant regulations and guidelines subsequently issued by the Ministry of Finance applicable to China Eximbank, including the notice on revising and Issuing the format of financial statements of financial enterprises in 2018 (CK [2018] No. 36) issued by the Ministry of Finance in December 2018, the Accounting Standards for Enterprises No. 21 – leases (CK [2018] No. 35) issued by the Ministry of Finance in December 2018 and the Accounting Standards for Enterprises No. 14 – revenue (CK [2018] No. 22) issued by the Ministry of Finance in 2017. The aforementioned regulations and guidelines are hereinafter collectively referred to as Accounting Standards for Enterprises. China Eximbank has established its accounting policies and accounting estimates, pursuant to which its financial statements are prepared, in accordance with the relevant provisions of Accounting Standards for Enterprises.

Despite its adoption of Accounting Standards for Enterprises, China Eximbank applies special accounting policies in respect of its benefit obligations to retired and early retired employees. Specifically, China Eximbank continues to use cash basis accounting in respect of its obligations on the supplemental retirement benefits and early retirement benefits for retired employees. Such accounting treatment is different from the relevant policy under the accounting standards for enterprises.

Related International Financial Reporting Standards

Accounting Standards for Enterprises promulgated in China since February 15, 2006 are substantially the same as IFRS, in general and material aspects. Accordingly, there are no significant differences between the principal accounting policies and relevant accounting principles adopted by China Eximbank and IFRS. The relevant IFRS standards used to compare with those adopted by China Eximbank include the following:

- IAS 26 – Accounting and Reporting in Respect of Retirement Benefit Plan
- IAS 36 – Impairment of Assets
- IAS 24 – Disclosure of Related Parties

Analysis of Principal Differences

For the following items, there exist significant differences between the current accounting policies adopted by China Eximbank and the provisions under IFRS:

- Employee retirement benefits

- Provision on impairment of assets
- Disclosure of related parties and their transactions

Employee Retirement Benefits

China Eximbank has adopted cash basis accounting in respect of its payment of pensions and benefits to or for its retired employees and has recorded it in the current profit and loss when it actually occurs.

Under IFRS, such pensions and benefits constitute the compensation for the services provided by employees during their employment rather than the compensation for retirement itself, and enterprises must recognise and measure such pensions and benefits during the accounting period when employees provide services. Accordingly, IAS 26 provides that enterprises must establish retirement benefits plan for their employees and recognise the corresponding liabilities based on the actuarial present value of retirement benefit obligations. The actuarial present value of retirement benefit obligations is the present value of the expected payment determined using the current or expected salaries level according to the services that have already been provided by employees, on the basis of the benefit amount stipulated under the retirement benefit plan.

Accordingly, the differences in respect of the accounting treatment on retirement benefits between the accounting policies adopted by China Eximbank and IFRS are mainly the recognition period and measurement method of such retirement benefits, which are also the differences between current accounting policies adopted by China Eximbank and the Accounting Standards for Enterprises.

As a result, for the employee retirement benefits, the results of accounting treatment under IFRS will be significantly different from those under the current accounting policies adopted by China Eximbank.

Provision for Impairment of Assets

Under the current accounting policies of China Eximbank, when the recoverable amount of an asset or an asset group is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction amount is charged to the current profit or loss and an impairment allowance is recorded at the same time. The above impairment losses, once recognised, cannot be reversed in subsequent periods.

The asset impairment loss is recognised and measured under IFRS in the same way as under China Eximbank's current accounting policies, and the difference exists in the reversal of asset impairment loss.

In accordance with IAS 36, an enterprise must assess at the end of each reporting period as to whether there is any indication that previously recognised impairment losses other than goodwill no longer exist or may have decreased. If such an indication exists, the enterprise must assess the recoverable amount of the asset. A previously recognised impairment loss of an asset other than goodwill can be reversed if, and only if, there has been a change in the estimates used to determine the recoverable amount of that asset since the previous recognition.

China Eximbank's accounting policies in relation to provisions for asset impairment are in compliance with the Accounting Standards for Enterprises and the difference exists between the Accounting Standards for Enterprises and IFRS.

Disclosure of Related Parties and Their Transactions

China Eximbank is a policy bank established under the laws of China, and its controlling person, from a legal ownership perspective, is the PRC central government. Under IAS 24, as China Eximbank and other entities directly or indirectly controlled by the PRC government constitute related parties as a result of the common control under the PRC government, it must disclose transactions with such other entities, including without limitation:

- Loans, provision of credit and guarantees and deposit-taking;

- Interbank lending;
- Trading, underwriting and redemption of debt securities issued by other state-owned entities;
- Provision of services related to foreign exchange, remittance and investment; and
- Entrusted loans and provision of other custody services.

Disclosure of the related party transactions and balances under IFRS must describe the transactions' nature and amounts and whether there are unfair pricing terms. With respect to banking operations, the disclosure must include not only the transaction amounts and balances at period ends, but also material terms including deposit and lending interest rates, for use by financial statement readers.

Under the Accounting Standards for Enterprises and the current accounting policies of China Eximbank, China Eximbank does not treat itself as a related party with other entities controlled by the Ministry of Finance or the PRC central government and no relevant disclosure is required.

According to the results of consultation between the Ministry of Finance and the International Accounting Standards Board ("**IASB**"), IASB has agreed that, under the current conditions in China, the state-owned enterprises under the common control of the government may be disclosed as non-related parties.

TAXATION

The following summary of certain taxation provisions under the PRC laws is based on current laws and practices, all of which are subject to change (possibly with retroactive effect). It does not purport to be comprehensive and does not constitute legal or tax advice. Investors (particularly if they are subject to special tax rules, such as banks, dealers, insurance companies and tax-exempt entities) should consult their own tax advisers regarding the tax consequences of an investment in the Notes.

PRC Taxation

The following summary accurately describes the principal PRC tax consequences of ownership of the Notes by investors who are not residents of mainland China for PRC tax purposes. If you are considering an investment in the Notes, you should consult your own tax advisors with regard to the application of PRC tax laws to your particular situation as well as any tax consequences arising under the laws of any other tax jurisdiction.

Pursuant to the PRC Enterprise Income Tax Law and the PRC Individual Income Tax Law and their implementation rules, an income tax will be levied on the payment of interest by way of withholding in respect of debt securities to non-PRC resident enterprises (including Hong Kong enterprises) and non-PRC resident individuals (including Hong Kong residents), if the interest is treated as PRC sourced income. The current rates of such income tax are 10% for non-PRC resident enterprises and 20% for non-PRC resident individuals of the gross amount of the interest paid on the debt securities, subject to any amendment to tax related laws and regulations. If the issuer under the MTN Programme is an overseas branch of China Eximbank, such issuer is not obliged to withhold PRC income tax on the payments of interest made by it to nonresident Noteholders, provided that the payments are made outside of the territory of PRC. However, if the interest paid by the Issuer is treated as PRC sourced income by the PRC tax authority, the Issuer will be required to withhold such income tax from the payments of interest in respect of the Notes for any non-PRC Noteholders. 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 Noteholders if they have provided qualified tax resident identity certificates.

According to the Arrangement between the Mainland of China and the Hong Kong Special Administration Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, residents of Hong Kong (including both enterprises and individuals) will not be subject to PRC income tax on any capital gains derived from a sale or exchange of the Notes. It is, however, unclear whether the gains derived by other non-PRC resident investors from a sale or exchange of Notes will be subject to PRC income tax according to the PRC Enterprise Income Tax Law and the PRC Individual Income Tax Law and their implementations rules. If the capital gains of the non-PRC resident investors are determined as income derived from sources within the PRC by PRC tax authorities, those non-PRC resident enterprise investors other than Hong Kong residents may be subject to PRC enterprise income tax at a rate of 10% of the gains, and non-PRC resident individuals other than Hong Kong residents may be subject to PRC individual income tax at a rate of 20%, unless such income tax is exempt or reduced pursuant to any applicable tax treaty or arrangement. As the Issuer is not the payor of the gains, it is not required to withhold the PRC income tax from the gains derived by other non-PRC resident investors other than Hong Kong residents from a sale or exchange of Notes. The Issuer will not undertake to pay any additional amount to any such non-PRC resident enterprises or individuals in the event their capital gains derived from a sale or exchange of the Notes are subject to PRC income tax.

According to the Circular on Comprehensive Implementation of the Pilot Program of Levying VAT in Lieu of Business Tax (Caishui [2016] No.36) (《關於全面推開營業稅改徵增值稅試點的通知》(財稅[2016] 36號)) together with four appendices issued by the Ministry of Finance and the State Administration of Taxation on March 23, 2016 (the “Circular 36”), the business tax has been no longer levied on certain categories of pilot enterprises nationwide and has been replaced by value-added tax (“VAT”) since May 1, 2016. According to the

Circular 36, VAT is applicable where certain services are provided within the PRC. Services subject to VAT include, among other things, the provision of financial services such as loans. Services are regarded as being provided within the PRC if either the service provider or the service recipient is located in the PRC. As a result, if the Issuer is or is deemed to be within the PRC by the PRC tax authority, the investors will be regarded as providing financial services within the PRC and consequently, the interests payable by the Issuer to its investors in respect of the Notes are subject to the VAT requirements (including VAT additional taxes, such as urban construction tax, education levy surcharge, local education levy surcharge), the payment of which will be withheld by the Issuer. On the other hand, VAT is unlikely to apply to any transfer of the Notes between entities or individuals located outside the PRC. Therefore, the gains realised upon such transfers are unlikely to be subject to the VAT requirements. Nevertheless, there is uncertainty as to whether VAT applies if either the seller or buyer of the Notes is located inside the PRC and the interpretation and enforcement of such laws and regulations also involve uncertainties. The Circular 36 and applicable VAT are subject to any related amendment to laws and regulations. The issuer will not undertake to pay any additional amount to any residents enterprises or individuals in the event their capital gains derived from a sale or exchange of the Notes are subject to such uncertain VAT requirements.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

Notes may be issued in bearer form or in registered form. Registered Notes will not be exchangeable for Bearer Notes and vice versa.

Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Pricing Supplement. Each Global Note will be deposited on or around the relevant issue date with a common depositary or sub-custodian for Euroclear, Clearstream and/or as the case may be, the CMU and/or any other relevant clearing system. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Pricing Supplement, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Pricing Supplement as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Registered Notes will be represented by registered Certificates, one definitive Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series or (a) in the case of Notes issued in reliance on Category 3 of Regulation S of the Securities Act), a Temporary Global Certificate or (b) in the case of all other Notes, a Permanent Global Certificate, in respect of the Notes. Interests in Temporary Global Certificates will be exchangeable for interests in a Permanent Global Certificate only after the date falling at least 40 days after the completion of the distribution of the Notes of the relevant Series and upon certification as to non-U.S. beneficial ownership. Registered Notes sold in an "offshore transaction" within the meaning of Regulation S will initially be represented by an Unrestricted Global Certificate. Registered Notes sold in the United States to QIBs within the meaning of Rule 144A will initially be represented by a Restricted Global Certificate.

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a common depositary for Euroclear and Clearstream (the "**Common Depositary**") or a sub-custodian for the HKMA as operator of the CMU.

Upon the initial deposit of a Global Note with the Common Depositary or with a sub-custodian for the HKMA as operator of the CMU or registration of Registered Notes in the name of (i) any nominee for Euroclear and Clearstream or (ii) the HKMA and delivery of the relevant Global Certificate to the Common Depositary or the sub-custodian for the HKMA as operator of the CMU (as the case may be), Euroclear or Clearstream or the CMU (as the case may be) will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Upon the initial deposit of a Global Certificate in respect of, and registration of, Registered Notes in the name of a nominee for DTC and delivery of the relevant Global Certificate to the Custodian for DTC, DTC will credit each participant with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream or other clearing systems.

Relationship of Accountholders with Clearing Systems

Save as provided in the following paragraph, each of the persons shown in the records of Euroclear, Clearstream, DTC or any other clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, DTC or such clearing system (as the case may be) for his share of each payment made by the relevant Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, DTC or such clearing system (as the case may be). Such persons shall have no claim directly against the relevant Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the relevant Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

If a Global Note or a Global Certificate is lodged with the CMU, the person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in accordance with the CMU Rules as notified by the CMU to the CMU Lodging and Paying Agent in a relevant CMU Instrument Position Report or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU save in the case of manifest error) shall be the only person(s) entitled (in the case of Registered Notes, directed or deemed by the CMU as entitled) to receive payments in respect of Notes represented by such Global Note or Global Certificate and the relevant Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in respect of each amount so paid. Each of the persons shown in the records of the CMU, as the beneficial holder of a particular nominal amount of Notes represented by such Global Note or Global Certificate must look solely to the Fiscal Agent for his share of each payment so made by the relevant Issuer in respect of such Global Note or Global Certificate.

Exchange

Temporary Global Notes

Each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable, in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Fiscal Agency Agreement for interests in a Permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

The CMU may require that any such exchange for a Permanent Global Note is made in whole and not in part and in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report (as defined in the rules of the CMU) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) have so certified.

Permanent Global Notes

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “Partial Exchange of Permanent Global Notes” below, in part for Definitive Notes or, in the case of (i) below, Registered Notes:

- (i) if the Permanent Global Note is held on behalf of Euroclear or Clearstream or the CMU or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business

for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or

- (ii) if principal in respect of any Notes is not paid when due, by the holder giving five business days' notice, by email or fax or in writing, to the Fiscal Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) and the Registrar of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Temporary Global Certificates

Interests in a Temporary Global Certificate will be exchangeable after its Exchange Date, upon certification of non-U.S. person beneficial ownership, for beneficial interests in the related Permanent Global Certificate deposited on its Issue Date with, and registered in the name of, DTC or a nominee for the Common Depositary for Euroclear and Clearstream. For transfers of Notes represented by Temporary Global Certificates which are Unrestricted Global Certificates or Restricted Global Certificates, see "*Permanent Global Certificates – Unrestricted Global Certificates*" or "*Permanent Global Certificates – Restricted Global Certificates*" in this section.

Permanent Global Certificates

(a) Unrestricted Global Certificates

If the relevant Pricing Supplement states that the Notes are to be represented by an Unrestricted Global Certificate, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream or the CMU or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2 may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) if principal in respect of any Notes is not paid when due;

provided that, in the case of the first transfer of part of a holding pursuant to (i) or (ii) above, the Registered Holder has given the Registrar not less than 30 days' notice, by email or fax or in writing, at its specified office of the Registered Holder's intention to effect such transfer.

(b) Restricted Global Certificates

If the relevant Pricing Supplement states that the Restricted Notes are to be represented by a Restricted Global Certificate on issue, the following will apply in respect of transfers of Notes held in DTC. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of DTC, but will limit the circumstances in which the Notes may be withdrawn from DTC. Transfers of the holding of Notes represented by that Restricted Global Certificate pursuant to Condition 2(b) may only be made:

- (i) in whole but not in part, if such Notes are held on behalf of a Custodian for DTC and if DTC notifies the relevant Issuer that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to that Restricted Global Certificate or DTC ceases to be a “clearing agency” registered under the Exchange Act or is at any time no longer eligible to act as such, and the relevant Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or
- (ii) in whole or in part, with the relevant Issuer’s consent,

provided that, in the case of any transfer pursuant to (i) above, the relevant Registered Noteholder has given the relevant Registrar not less than 30 days’ notice, by email or fax or in writing, at its specified office of the Registered Noteholder’s intention to effect such transfer. Individual Certificates issued in exchange for a beneficial interest in a Restricted Global Certificate shall bear the legend applicable to such Notes as set out in “*General Information*”.

Partial Exchange of Permanent Global Notes

For so long as a Permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes (i) if principal in respect of any Notes is not paid when due or (ii) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Pricing Supplement) relating to Partly Paid Notes.

Delivery of Notes

On or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent). In exchange for any Global Note, or the part thereof to be exchanged, the relevant Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be. Global Notes and Definitive Notes will be delivered outside the United States and its possessions. In this Offering Circular, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Fiscal Agency Agreement. On exchange in full of each Permanent Global Note, the relevant Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

Exchange Date

“**Exchange Date**” means (i) in relation to an exchange of a Temporary Global Note to a Permanent Global Note or an exchange of a Temporary Global Certificate to a Global Certificate, the day falling after the expiry of 40 days after its issue date or the completion of distribution of the relevant Tranche of the Notes, whichever later; or (ii) in relation to an exchange of a Permanent Global Note to a Definitive Note, a day falling not less than 60 days or in the case of exchange following failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city

in which the specified office of the Fiscal Agent is located and in the cities in which the relevant clearing systems are located.

Amendment to the Terms and Conditions of the Notes

The Temporary Global Notes, Permanent Global Notes, Temporary Global Certificates and Permanent Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Terms and Conditions of the Notes set out in this Offering Circular. The following is a summary of certain of those provisions:

Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Fiscal Agency Agreement. All payments in respect of Notes represented by a Global Note (except with respect to Global Note held through the CMU) will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes.

Payments, if any, due on any Temporary Global Certificate prior to the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Fiscal Agency Agreement. In the case of interest falling due on or after the Exchange Date in respect of any portion of a Temporary Global Certificate in respect of which such certification of non-U.S. beneficial ownership has been delivered, payment will be made only to the extent that the relevant Issuer has failed to procure the exchange for a Permanent Global Certificate or for definitive Registered Notes, as the case may be, of that portion of the Temporary Global Certificate. All payments in respect of Notes represented by a Global Certificate (other than a Global Certificate held through the CMU) will be made to, or to the order of, the person whose name is entered on the relevant Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

In respect of a Global Note or Global Certificate held through the CMU, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Note or Global Certificate are credited (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) and, save in the case of final payment, no presentation of the relevant bearer Global Note or Global Certificate shall be required for such purpose.

Prescription

Claims against the relevant Issuer in respect of Notes that are represented by a Permanent Global Note or a Permanent Global Certificate will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

Meetings

The holder of a Global Note or of the Notes represented by a Global Certificate shall (unless such Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Global Note or a Global

Certificate shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

Cancellation

Cancellation of any Note represented by a Global Note or Global Certificate that is required by the Terms and Conditions of the Notes to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant Global Note or Global Certificate.

Purchase

Notes represented by a Global Note or Global Certificate may only be purchased by China Eximbank or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

The Option of the relevant Issuer

Any option of an Issuer provided for in the Terms and Conditions of any Notes while such Notes are represented by a permanent Global Note or Global Certificate shall be exercised by the relevant Issuer giving notice, by email or fax or in writing, to the Noteholders and the Fiscal Agent within the time limits set out in and containing the information required by the Terms and Conditions of the Notes, except that the notice shall not be required to contain, the certificate numbers of Notes drawn in respect of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the relevant Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, DTC, CMU or any other clearing system (as the case may be).

Noteholders' Options

Any option of the Noteholders provided for in the Terms and Conditions of any Notes while such Notes are represented by a permanent Global Note or Global Certificate may be exercised by the holder of the Global Note (in accordance with the standard procedures of the relevant clearing system) giving notice, by email or fax or in writing, to the Fiscal Agent or (in respect of Notes represented by a Global Certificate) the Registrar or Transfer Agent or (in respect of Notes lodged with the CMU) the CMU Lodging and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Terms and Conditions of the Notes substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the Global Note or Global Certificate to the Fiscal Agent, the relevant Registrar, a Transfer Agent or the CMU Lodging and Paying Agent (or, in each case, to a Paying Agent acting on their behalf), as the case may be, for notation.

Notices

So long as any Notes are represented by a Global Note or Global Certificate and such Global Note or Global Certificate is held on behalf of (i) Euroclear and/or Clearstream, DTC or any other clearing system (except as provided in (ii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Terms and Conditions of the Notes or by delivery of the relevant notice to the holder of the Global Note or Global Certificate or (ii) the CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the CMU on the second business day preceding the date of dispatch of such notice as holding interests in the relevant Global Note or Global Certificate.

Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Notes or Global Certificates. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note or Global Certificate representing such Notes may be exchanged for an interest in a Permanent Global Note, a Permanent Global Certificate, Definitive Notes or definitive Certificates (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the relevant Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

FORM OF PRICING SUPPLEMENT

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

Pricing Supplement dated [●]

The Export-Import Bank of China *[insert branch details, if relevant]*

Issue of *[Aggregate Nominal Amount of Tranche]* *[Title of Notes]*

Under the Medium Term Note Programme

This document constitutes the Pricing Supplement for the Notes described herein and must be read in conjunction with the Offering Circular dated October 25, 2024 [and the supplement to the Offering Circular dated [●]]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement [and/,] the Offering Circular [and the supplement to the Offering Circular].

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the [Offering Circular].

[MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/ 65/EU, as amended (“**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Consider any negative target market] Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[UK MIFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended [(“**EUWA**”)] (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Consider any negative target market]. Any [person subsequently offering, selling or recommending the Notes (a “**distributor**”)] [distributor] should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (“**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129, as amended. Consequently no key information

document required by Regulation (EU) No 1286/2014, as amended (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of [the European Union (Withdrawal) Act 2018, as amended (the “**EUWA**”)/the EUWA]; (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of [UK MiFIR/Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA]/; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law in the UK by virtue of the EUWA. Consequently no key information document required by the Regulation (EU) 1286/2014 as it forms part of domestic law in the UK by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to CMIIs (including private banks) – Insert alternative marketing and investor targeting strategy for this issuance for Hong Kong SFC Code of Conduct purposes if this is different from that set out in the Offering Circular]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.]

- | | | |
|----|---|--|
| 1. | Issuer: | The Export-Import Bank of China <i>[insert branch details, if relevant]</i> |
| 2. | (i) [Series Number] | [•] |
| | (ii) [Tranche Number: (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)] | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the <i>[insert description of the Series]</i> on <i>[insert date/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, [which is expected to occur on or about <i>[insert date]</i>].]</i> |
| 3. | Specified Currency or Currencies: | [•] |
| 4. | Aggregate Nominal Amount: | |
| | (i) [Series:] | [•] |
| | (ii) [Tranche:] | [•] |
| 5. | (i) [Issue Price:] | [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i> (if applicable)] |

- (ii) [Use of proceeds: [●] (*Required only if different from the Offering Circular*)]
6. (i) Specified Denominations: [●]
(ii) Calculation Amount:(3) [●]
7. (i) Issue Date: [●]
(ii) Interest Commencement Date: [*Specify*/Issue Date/Not Applicable]
8. Maturity Date: [*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]¹
9. Interest Basis: [[●] per cent. Fixed Rate]
[*specify reference rate*] +/- [[●] per cent. Floating Rate]
[Zero Coupon]
[Other (*specify*)]
(further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]
[*Dual Currency*]
[Partly Paid]
[Instalment]
[Other (*specify*)]
11. Change of Interest Basis or Redemption/Payment Basis: [*Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis*]
12. Put/Call Options: [Put]
[Call]
[*(further particulars specified below)*]
13. Status of the Notes: Senior Notes
14. Listing: [Singapore Exchange Securities Trading Limited (the “**SGX-ST**”)/Other (*specify*)/None]
15. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions: [Applicable/Not Applicable]
(i) Rate(s) of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
(*If payable other than annually, consider amending Condition 5*)

¹ Note that for Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification it will be necessary to use the second option here.

(ii) Interest Payment Date(s):	[●] in each year ² [adjusted in accordance with <i>[specify Business Day Convention and any applicable Business Centre(s) for the definition of “Business Day”/not adjusted]</i> <i>[Note: Include Beijing and Hong Kong only if required to adjust an interest period end date.]</i>
(iii) Fixed Coupon Amount[(s)]:	[●] per Calculation Amount ³
(iv) Broken Amount:	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●] <i>[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)] and the Interest Payment Date(s) to which they relate]</i>
(v) Day Count Fraction:	[30/360 or Actual/Actual (ICMA/ISDA)/Other]
(vi) Determination Date(s):	[●] in each year. <i>[Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short, first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)]</i>
(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/give details]
17. Floating Rate Note Provisions:	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Interest Accrual Period(s):	[●][, subject to adjustment in accordance with the Business Day Convention set out in (iv) below][, not subject to any adjustment[, as the Business Day Convention in (iv) below is specified to be Not Applicable]] [and “Specified Interest Period Date” means [[●],[●],[●] and [●]] in each year up to and including the Maturity Date, subject to adjustment in accordance with the Business Day Convention set out in (v) below] <i>(Only applicable in the case of SOFR Payment Delay where Interest Period Date is required)</i>
(ii) Specified Interest Payment Dates:	[[●] in each year[, subject to adjustment in accordance with the Business Day Convention set

² Note that for certain Renminbi or Hong Kong dollar denominated Fixed Rate Notes the Interest Payment Dates are subject to modification and the following words should be added: “provided that if any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day.”

³ For Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: “Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.05 in the case of Renminbi denominated Fixed Rate Notes or to the nearest HK\$0.01, HK\$0.005 in the case of Hong Kong dollar denominated Fixed Rate Notes, being rounded upwards.”

- out in (iv) below][, not subject to any adjustment[, as the Business Day Convention in (iv) below is specified to be Not Applicable]].]
- [The definition of “Interest Payment Date” in Condition 5(b)(iii)(C)(y) applies.] (*Only applicable in the case of SOFR Payment Delay*)
- (iii) Interest Period Date(s): [Not Applicable]/[●] [in each year[, subject to adjustment in accordance with the Business Day Convention set out in (v) below][, not subject to any adjustment[, as the Business Day Convention in (v) below is specified to be Not Applicable]]]
- (iv) Business Day Convention: [Floating Rate Note Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (v) Business Centre(s): [●] [*Note: Include Beijing and Hong Kong only if required to adjust an interest period end date.*]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/Screen Rate Determination (SOFR)/ISDA Determination/other (*give details*)]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [●]
- (viii) Screen Rate Determination:
- Reference Rate: [●]
 - Interest Determination Date(s): [●]
 - Relevant Screen Page: [●]
- (ix) Screen Rate Determination (SOFR)
- Reference Rate: SOFR Benchmark – [Simple SOFR Average/Compounded SOFR Average/SOFR Compounded Index]
 - Compounded SOFR Average Method: [Not Applicable/SOFR Observation Lag/SOFR Observation Shift/SOFR Payment Delay/SOFR Lockout – *used for Compounded SOFR Average only*]
 - Interest Determination Date(s): [The [●] U.S. Government Securities Business Day prior to the last day of each Interest Accrual Period – *only applicable in the case of Simple SOFR Average/SOFR Observation Lag/SOFR Observation Shift/SOFR Lockout/SOFR Compounded Index*]
- [The Specified Interest Period Date at the end of each Interest Accrual Period, provided that the Interest Determination Date with respect to the final

Interest Accrual Period will be the U.S. Government Securities Business Day immediately following the relevant SOFR Rate Cut-Off Date – *only applicable in the case of SOFR Payment Delay*]

- Lookback Days: [[●] U.S. Government Securities Business Days – *used for SOFR Observation Lag only*]/[Not Applicable]
- SOFR Observation Shift Days: [[●] U.S. Government Securities Business Days – *used for the SOFR Observation Shift or SOFR Compounded Index only*]/[Not Applicable]
- SOFR Rate Cut-Off Date: [The date falling [●] Government Securities Business Days prior to the end of each Interest Accrual Period, the Maturity Date or the date fixed for redemption, as applicable – *used for only Simple SOFR Average (if applicable), Compounded SOFR Average – SOFR Payment Delay or SOFR Lockout only*]/[Not Applicable]
- Interest Payment Delay Days: [●] Business Days – *used for SOFR Payment Delay only*]/[Not Applicable]
- SOFR Index_{Start}: [Not Applicable]/[[●] U.S. Government Securities Business Days – *used for SOFR Compounded Index only*]
- SOFR Index_{End}: [Not Applicable]/[[●] U.S. Government Securities Business Days – *used for SOFR Compounded Index only*]
- ISDA Definitions: [2006 ISDA Definitions]/[2021 ISDA Definitions]
- (x) ISDA Determination:
- ISDA Definitions: [2006 ISDA Definitions]/[2021 ISDA Definitions]
- Floating Rate Option: [●]
- Designated Maturity: [●]
- Reset Date: [●]
- Compounding: [Applicable/Not Applicable]
- Compounding Method: [Compounding with Lookback
Lookback: [●] Applicable Business Days]
[Compounding with Observation Period Shift
Observation Period Shift: [●] Observation Period Shift Business Days
Observation Period Shift Additional Business Days: [●]/[Not Applicable]]
[Compounding with Lockout

- Lockout: [●] Lockout Period Business Days
Lockout Period Business Days: [●]/[Applicable Business Days]]
- Index Provisions: [Applicable/Not Applicable]
 - Index Method: Compounded Index Method with Observation Period Shift
Observation Period Shift: [●] Observation Period Shift Business Days Observation Period Shift Additional Business Days: [●]/[Not Applicable]
- (xi) Margin(s): [+/-] [●] per cent. per annum
- (xii) Minimum Rate of Interest: [●] per cent. per annum
- (xiii) Maximum Rate of Interest: [●] per cent. per annum
- (xiv) Day Count Fraction: [●]
- (xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes: [Benchmark Event/Benchmark Event (SOFR)/ specify if fallback provisions different from those set out in the Conditions]
18. Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Amortisation Yield: [●] per cent. per annum
 - (ii) Day Count Fraction: [●]
 - (iii) Any other formula/basis of determining amount payable: [●]
19. Dual Currency Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/Method of calculating Rate of Exchange: [Give details]
 - (ii) Party, if any, responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Agent]): [●]
 - (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]
 - (iv) Person at whose option Specified Currency(ies) is/are payable: [●]
 - (v) Day Count Fraction: [●]

PROVISIONS RELATING TO REDEMPTION

20. Call Option: [Applicable/Not Applicable]

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

- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each [●] per Calculation Amount Note and method, if any, of calculation of such amount(s):
- (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: [●] per Calculation Amount
 - (b) Maximum Redemption Amount: [●] per Calculation Amount
- (iv) Notice period: [●]
- 21. Put Option: [Applicable/Not Applicable]

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

 - (i) Optional Redemption Date(s): [●]
 - (ii) Optional Redemption Amount(s) of each [●] per Calculation Amount Note and method, if any, of calculation of such amount(s):
 - (iii) Notice period: [●]
- 22. Final Redemption Amount: [●] per Calculation Amount
- 23. Early Redemption Amount:
 - (i) Early Redemption Amount(s) per [●] Calculation Amount payable on redemption for taxation reasons or event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 24. Form of Notes: [Bearer Notes/Registered Notes]

[Delete as appropriate]

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]

[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]

[Permanent Global Certificate exchangeable for

- Definitive Certificates in the limited circumstances specified in the Permanent Global Certificate]^{4 5}
25. Financial Centre(s) or other special provisions relating to payment dates: [Beijing, Hong Kong/Give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which item 16(ii), 17(iv) and 19(vii) relate] [Note: Include New York if necessary for payment dates]
26. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details]
28. Details relating to Instalment Notes: [Not Applicable/give details]
- (i) Instalment Amount(s): [•]
- (ii) Instalment Date(s): [•]
- (iii) Minimum Instalment Amount: [•]
- (iv) Maximum Instalment Amount: [•]
29. Other terms or special conditions: [Not Applicable/give details]

DISTRIBUTION

30. (i) If syndicated, names of Managers: [Not Applicable/give names]
- (ii) Stabilisation Manager(s) (if any): [Not Applicable/give names]
31. If non-syndicated, name of Dealer: [Not Applicable/give names]
32. U.S. Selling Restrictions: [Reg. S Category 2/3; TEFRA D/TEFRA C/TEFRA Not applicable; Rule 144A]
33. Additional selling restrictions: [Not Applicable/give details]
34. Private Bank Rebate/Commission: [Applicable/Not Applicable]
- [(To be included if a private bank rebate is paid)*
- [In addition, the Issuer has agreed with the Managers/Dealer that it will pay a commission to certain private banks in connection with the distribution of the Notes to their clients. This commission will be based on the principal amount

⁴ If the Global Note/Certificate is exchangeable for Definitive Notes/Certificates, the Notes shall be tradeable only in amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) provided in paragraph 6 and multiples thereof.

⁵ The limited circumstances in which exchange is permitted are set out under the section “Summary of Provisions Relating to Notes while Represented by Global Notes or Global Certificates – Exchange” in the Offering Circular.

of the Notes so distributed, and may be deducted from the purchase price for the Notes payable by such private banks upon settlement.] / [A rebate of [●] basis points is being offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the offering based on the principal amount of the Notes distributed by such private banks to investors.]^{6 7}

OPERATIONAL INFORMATION

- | | |
|--|---|
| 35. ISIN Code: | [●] |
| 36. Common Code: | [●] |
| 37. CMU Instrument Number: | [●] |
| 38. CUSIP Number: | [●] |
| 39. CFI: | [[●]/Not Applicable] |
| 40. FISN: | [[●]/Not Applicable] |
| | <i>(If the CFI and/or FISN is not required, requested or available, it/they should be specified to be “Not Applicable”.)</i> |
| 41. LEI Code: | [●] |
| 42. Any clearing system(s) other than Euroclear, Clearstream, Luxembourg and the CMU Service, DTC and the relevant identification number(s): | [Not Applicable/give name(s) and number(s)] |
| 43. Delivery: | Delivery [against/free of] payment |
| 44. Additional Paying Agents (if any) | [●] |
| 45. Ratings: | [The Notes to be issued have been rated:
[●]:[●]
[●]:[●]
<i>(The above disclosure should reflect the rating allocated to Notes of the type being issued under the MTN Programme generally or, where the issue has been specifically rated, that rating.)</i>] |

⁶ If paragraph 21 of the SFC Code applies to this issuance, the parties should consider preparing and circulating the Preliminary Pricing Supplement to investors prior to pricing or including the same in a BBG announcement to investors.

⁷ Language to be finalised at the time of issuance.

GENERAL

46. In the case of Registered Notes, specify the [●]
location of the office of the Registrar:
47. Net Proceeds [●] (required for listed issues)

[LISTING APPLICATION]

Application has been made for the Notes to be admitted to trading on [the SGX-ST/other (specify)] with effect from [●].

The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Pricing Supplement. Admission to the Official List of the SGX-ST and quotation of the Notes is not to be taken as an indication of the merits of the Issuer, its subsidiaries, its associated companies, the Programme or the Notes.]

[STABILISATION]

In connection with the issue of any Tranche of Notes, one or more of the Dealers named as Stabilisation Manager (or persons acting on behalf of any Stabilisation Manager(s)) in this Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Such stabilisation action, if commenced, may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, and must be brought to an end after a limited period. Such stabilisation action shall be in compliance with all applicable laws, regulations and rules.]

MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in the Offering Circular, there has been no material adverse change in the financial, or any development reasonably likely to involve a material adverse change, in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of China Eximbank since [*insert date of last audited accounts or interim accounts (if later)*] that is material in the context of the issue of the Notes.

Signed on behalf of the Issuer:

By: _____
Duly authorised

SUBSCRIPTION AND SALE

Dealer Agreement

Subject to the terms and on the conditions contained in an Amended and Restated Dealer Agreement dated October 25, 2024, (as may be supplemented, amended and/or restated from time to time) (the “**Dealer Agreement**”) between China Eximbank and the Arrangers, the Notes will be offered on a continuous basis, by an Issuer, to relevant Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by an Issuer through the relevant Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are severally underwritten by two or more relevant Dealers.

The relevant Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it.

China Eximbank has agreed to indemnify the relevant Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the relevant Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the relevant Issuer. China Eximbank has agreed to reimburse the Arrangers for certain of their expenses incurred in connection with the establishment of the MTN Programme and the Arrangers for certain of their activities in connection with the MTN Programme.

The Arrangers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities (“**Banking Services or Transactions**”) and may have performed certain Banking Services or Transactions for China Eximbank and/or its affiliates from time to time for which they have received customary fees and expenses and may, from time to time perform various Banking Services and/or Transactions for China Eximbank and/or its affiliates in the ordinary course of China Eximbank’s or their business for which they have received and will receive, fees and expenses. Dealers or certain of their respective affiliates may purchase the Notes and be allocated the Notes for asset management and/or proprietary purposes but not with a view to distribution.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Dealers or such affiliate on behalf of the relevant Issuer in such jurisdiction.

In connection with the offer and sale of the Notes, China Eximbank, the Arrangers, the relevant Dealers and/or their respective affiliates may place orders, receive allocations and purchase Notes for their own account (without a view to distributing such Notes) and such orders and/or allocations of the Notes may be material. Such entities may hold or sell such Notes or purchase further Notes for their own account in the secondary market or deal in any other securities of China Eximbank, and therefore, they may offer or sell the Notes or other securities otherwise than in connection with the offering. Accordingly, references herein to the Notes being offered should be read as including any offering of the Notes to China Eximbank, the Arrangers, the relevant Dealers and/or their respective affiliates for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so. Furthermore, it is possible that only a limited number of investors may subscribe for a significant proportion of the Notes. If this is the case, liquidity of trading in the Notes may be constrained. China Eximbank, the Arrangers and the relevant Dealers are under no obligation to disclose the extent of the distribution of the Notes amongst individual investors.

In the ordinary course of their various business activities, the Arrangers, the relevant Dealers and their respective affiliates make or hold a broad array of investments and actively trade debt and equity securities (or

related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of China Eximbank, including the Notes, and could adversely affect the trading prices of the Notes. The Arrangers, the relevant Dealers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Notes or other financial instruments of China Eximbank, and may recommend to their clients that they acquire long and/or short positions in the Notes or other financial instruments.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to CMIIs (including private banks): This notice to CMIIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIIs, which require the attention and cooperation of other CMIIs (including private banks). Certain CMIIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealers in respect of each CMI Offering.

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. CMIIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the Dealers participating in the relevant CMI Offering (“**Relevant Dealers**”) accordingly.

CMIIs are informed that, unless otherwise specified, the marketing and investor targeting strategy for each relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions set out elsewhere in this Offering Circular and the applicable Pricing Supplement.

CMIIs 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 CMIIs). CMIIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIIs should disclose the identities of all investors when submitting orders for the relevant Notes (except for omnibus orders where underlying investor information should be provided to the 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. CMIIs should not place “X-orders” into the order book.

CMIIs 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.

CMIIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the Notes. CMIIs are informed that a private bank rebate may be payable as stated in this Offering Circular and the applicable Pricing Supplement, or otherwise notified to prospective investors.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Relevant Dealers in control of the order book should consider disclosing order book updates to all CMIIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a “principal” basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a “principal” basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a “principal” basis may require the Relevant Dealers to categorise it as a proprietary order and apply the “proprietary orders” requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any “Associations” (as used in the SFC Code);
- Whether any underlying investor order is a “Proprietary Order” (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Relevant Dealers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to the OCs; and (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 banks) further warrants that each of them and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by the 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 the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The Relevant Dealers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the Relevant Dealer with such evidence within the timeline requested.

Selling Restrictions

General

The distribution of this Offering Circular or any offering material and the offering, sale or delivery of the Notes is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Circular or any offering material are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Offering Circular may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder. Restrictions with respect to Notes in bearer form are described further below.

Each relevant Dealer will be required to agree that, except as permitted by the Dealer Agreement, it has not offered, sold or delivered and will not offer, sell or, in the case of Notes sold in Bearer form, deliver the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the relevant Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager or Lead Managers, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period (other than resales pursuant to Rule 144A) a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

The Dealer Agreement provides that the relevant Dealers may directly or through their respective US broker-dealer affiliates arrange for the offer and resale of Registered Notes within the United States only to QIBs in reliance on Rule 144A.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

This Offering Circular has been prepared by China Eximbank for use in connection with the offer and sale of the Notes outside the United States and for the resale of the Notes in the United States. Each Issuer and the relevant Dealers reserves the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United States or to any U.S. person, other than any QIB to whom an offer has been made directly by one of the relevant Dealers or its U.S. broker-dealer affiliate. Distribution of this Offering Circular by any non-U.S. person outside the United States or by any QIB in the United States to any U.S. person or to any other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB with respect thereto, is unauthorised and any disclosure without the prior written consent of an Issuer of any of their contents to any such U.S. person or other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB, is prohibited.

Unless the Pricing Supplement or the Subscription Agreement relating to one or more Tranches specifies that the applicable TEFRA exemption is either “C Rules” or “not applicable”, each relevant Dealer will represent and agree in relation to each Tranche of Notes in bearer form:

- (i) except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”)) (the “**D Rules**”):

- (a) it has not offered or sold, and during a 40-day restricted period shall not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person; and
- (b) it has not delivered and shall not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;
- (ii) it has and throughout the restricted period shall have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (iii) if it is a United States person, it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it shall only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code); and
- (iv) with respect to each affiliate that acquires from it Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, it either (a) repeats and confirms the representations contained in sub-paragraphs (i), (ii) and (iii) on behalf of such affiliate or (b) agrees that it shall obtain from such affiliate for the benefit of the Issuer the representations contained in sub-paragraphs (i), (ii) and (iii); and
- (v) that it has not and agrees that it will not enter into any written contract (other than a confirmation or other notice of the transaction) pursuant to which any other party to the contract (other than one of its affiliates or another Dealer) has offered or sold, or during the restricted period will offer or sell, any Notes, except where pursuant to the contract the Dealer has obtained or will obtain from that party, for the benefit of the Issuer and the several Dealers, the representations contained in, and that party's agreement to comply with, the provisions of clauses (i), (ii), (iii) and (iv).

Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the D Rules.

To the extent that the Pricing Supplement or the Subscription Agreement relating to one or more Tranches of Bearer Notes specifies that the applicable TEFRA exemption is "C Rules", under U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the "**C Rules**"), Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. In relation to each such Tranche, each relevant Dealer will represent and agree that it has not offered, sold or delivered, and shall not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with their original issuance of Notes in bearer form, it has not communicated, and shall not communicate, directly or indirectly, with a prospective purchaser if either such purchaser or it is within the United States or its possessions or otherwise involve its U.S. office in the offer or sale of Notes in bearer form. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including the C Rules.

Each issuance of index-, commodity- or currency-linked Notes shall be subject to such additional U.S. selling restrictions as the relevant Dealer(s) shall agree with the relevant Issuer as a term of the issuance and purchase or, as the case may be, subscription of such Notes. Each relevant Dealer will agree that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

Prohibition of Sales of EEA Retail Investors

Each relevant Dealer will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not an EEA Qualified Investor; and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Prohibition of Sales to UK Retail Investors

Each relevant Dealer will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the EUWA; or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of UK MiFIR; or
 - (iii) not a UK Qualified Investor; and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Other Regulatory Restrictions in the United Kingdom

Each relevant Dealer will be required to represent and agree that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the relevant Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of

Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the relevant Issuer; and

- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

Hong Kong

Each relevant Dealer will represent and agree that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes except for Notes which are a “**structured product**” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”) other than (a) to “**professional investors**” as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “**prospectus**” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WUMP)O**”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “**professional investors**” as defined in the SFO and any rules made under the SFO.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the 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.

PRC

Each relevant Dealer will represent and agree that it has not offered or sold and will not offer or sell any of the Notes in the PRC (for such purposes, not including Hong Kong, Macau SAR or Taiwan) or to residents of the PRC unless such offer or sale is made in compliance with all applicable laws and regulations of the PRC.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the “**Financial Instruments and Exchange Act**”). Accordingly, each relevant Dealer will represent and agree that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the

laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other relevant laws and regulations of Japan.

CLEARANCE AND SETTLEMENT

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear, Clearstream, DTC or the CMU (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that China Eximbank believes to be reliable, but neither China Eximbank nor any Dealer nor the Arrangers take any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuer nor any other party to the Fiscal Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.

The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.

The Clearing Systems

Euroclear and Clearstream

Euroclear and Clearstream each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream will be credited, to the extent received by the Paying Agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system’s rules and procedures.

CMU

The CMU is a central depository service provided by the Central Moneymarkets Unit of the HKMA for the safe custody and electronic trading between the members of this service (“**CMU Members**”) of capital markets instruments (“**CMU Instruments**”) which are specified in the CMU Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all members of the Hong Kong Capital Markets Association and “authorised institutions” under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

Compared to clearing services provided by Euroclear and Clearstream, the standard custody and clearing service provided by the CMU is limited. In particular (and unlike the European Clearing Systems), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest or principal) under, or notices pursuant to the notice provisions of, the CMU Instruments. Instead, the HKMA advises the lodging CMU Member (or a designated paying agent) of the identities of the CMU Members to whose accounts payments in respect of the relevant CMU Instruments are credited, whereupon the lodging CMU Member (or the designated paying agent) will make the necessary payments of interest or principal or send notices directly to the relevant CMU Members. Similarly, the HKMA will not

obtain certificates of non-US beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The CMU Lodging and Paying Agent will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

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

DTC

DTC has advised that it is a limited-purpose trust company organised under the New York Banking Law, a “banking organisation” within the meaning of the New York Banking Law, a member of the U.S. Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to Section 17A of the Exchange Act. DTC holds and provides asset servicing securities that its participants (“**Participants**”) deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. DTC is owned by a number of its direct participants (“**Direct Participants**”), which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”).

Under the rules, regulations and procedures creating and affecting DTC and its operations (the “**Rules**”), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC’s book-entry settlement system (“**DTC Notes**”) as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the U.S. Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (“**Owners**”) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC’s records. The ownership interest of each actual purchaser of each DTC Note (“**Beneficial Owner**”) is in turn to be recorded on the Direct and Indirect Participant’s records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co, or such other nominee as may be requested by an authorised representative of DTC. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no

knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to DTC Notes unless authorised by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy). Principal and interest payments on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time.

Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements.

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Beneficial Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

Book-Entry Ownership

Bearer Notes

The Issuer may make applications to Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. The Issuer may also apply to have Bearer Notes accepted for clearance through the CMU. In respect of Bearer Notes, a Temporary Global Note and/or a Permanent Global Note in bearer form without coupons may be deposited with a common depositary for Euroclear and/or Clearstream, a sub-custodian for the CMU or an Alternative Clearing System as agreed between the Issuer and the Dealer. Transfers of interests in such Temporary Global Notes or Permanent Global Notes will be made in accordance with the normal market debt securities operating procedures of the CMU, Euroclear and Clearstream or, if appropriate, the Alternative Clearing System.

Registered Notes

The Issuer may make applications to Euroclear and/or Clearstream, for acceptance in their respective book-entry systems in respect of the Notes to be represented by an Unrestricted Global Certificate. The Issuer may also apply to have Notes to be represented by an Unrestricted Global Certificate accepted for clearance through the CMU. Each Unrestricted Global Certificate will have an International Securities Identification Number (“ISIN”) and a Common Code. Investors in Notes of such Series may hold their interests in a Global Certificate through Euroclear, Clearstream or the CMU (if applicable).

The Issuer, and a relevant US agent appointed for such purpose that is an eligible DTC participant, may make application to DTC for acceptance in its book-entry settlement system of the Registered Notes represented by a Restricted Global Certificate. Each such Restricted Global Certificate will have a CUSIP number. Each Restricted Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Global Certificate. In certain circumstances, as described below in “Transfers of Registered Notes”, transfers of interests in a Restricted Global Certificate may be made as a result of which such legend may no longer be required.

In the case of a Tranche of Registered Notes to be cleared through the facilities of DTC, the Custodian, with whom the Restricted Global Certificates are deposited, and DTC, will electronically record the nominal amount of the Restricted Notes held within the DTC system. Investors may hold their beneficial interests in a Restricted Global Certificate directly through DTC if they are participants in the DTC system, or indirectly through organisations which are participants in such system.

Payments of the principal of, and interest on, each Restricted Global Certificate registered in the name of DTC’s nominee will be to, or to the order of, its nominee as the registered owner of such Restricted Global Certificate. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants’ accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount of the relevant Restricted Global Certificate as shown on the records of DTC or the nominee. The Issuer also expects that payments by DTC participants to owners of beneficial interests in such Restricted Global Certificate held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. Neither the Issuer nor any Paying Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, ownership interests in any Restricted Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Notes will initially be in the form of an Unrestricted Global Certificate and/or a Restricted Global Certificate. Individual Certificates will only be available, in the case of Notes initially represented by an Unrestricted Global Certificate, in amounts specified in the applicable Pricing Supplement, and, in the case of Notes initially represented by a Restricted Global Certificate, in minimum amounts of US\$250,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Dealer(s)), or higher integral multiples of US\$1,000, in certain limited circumstances described below.

Payments through DTC

Payments in US dollars of principal and interest in respect of a Restricted Global Certificate registered in the name of a nominee of DTC will be made to the order of such nominee as the registered holder of such Note.

Transfers of Registered Notes

Transfers of interests in Global Certificates within Euroclear, Clearstream, the CMU and DTC will be in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities.

Consequently, the ability to transfer interests in a Restricted Global Certificate to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Restricted Global Certificate to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in an Unrestricted Global Certificate may only be held through Euroclear, Clearstream or the CMU. In the case of Registered Notes to be cleared through Euroclear, Clearstream or DTC, transfers may be made at any time by a holder of an interest in an Unrestricted Global Certificate to a transferee who wishes to take delivery of such interest through a Restricted Global Certificate for the same Series of Notes provided that any such transfer made on or prior to the expiration of the distribution compliance period (as used in “*Subscription and Sale*”) relating to the Notes represented by such Unrestricted Global Certificate will only be made upon receipt by any Transfer Agent of a written certificate from Euroclear, Clearstream or CMU as the case may be, (based on a written certificate from the transferor of such interest) to the effect that such transfer is being made to a person whom the transferor, and any person acting on its behalf, reasonably believes is a QIB within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States. Any such transfer made thereafter of the Notes represented by such Unrestricted Global Certificate will only be made upon request through Euroclear, Clearstream by the holder of an interest in the Unrestricted Global Certificate to the Registrar or any Transfer Agent of details of that account at DTC to be credited with the relevant interest in the Restricted Global Certificate. Transfers at any time by a holder of any interest in the Restricted Global Certificate to a transferee who takes delivery of such interest through an Unrestricted Global Certificate will only be made upon delivery to any Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear, Clearstream or CMU as the case may be, and DTC to be credited and debited, respectively, with an interest in each relevant Global Certificate.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described above, cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear, Clearstream or CMU accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Custodian, the Registrar and Transfer Agent.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Euroclear, Clearstream or CMU and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Euroclear or Clearstream and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Euroclear and Clearstream on the other, transfers of interests in the relevant Global Certificates will be effected through the Registrar or any Transfer Agent, the Custodian, the relevant Registrar and any applicable Transfer Agent receiving instructions (and where appropriate certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Certificate resulting in such transfer and (ii) two business days after receipt by the Registrar or any Transfer Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC has advised that it will take any action permitted to be taken by a holder of Registered Notes (including, without limitation, the presentation of Restricted Global Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Restricted Global Certificates are credited and only in respect of such portion of the aggregate nominal amount of the relevant Restricted Global Certificates as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Restricted Global Certificates for exchange for individual Certificates (which will, in the case of Restricted Notes, bear the legend applicable to transfers pursuant to Rule 144A).

Although Euroclear, Clearstream and DTC have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Certificates among participants and accountholders of Euroclear, Clearstream and DTC, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, nor any Agent nor any Transfer Agent will have any responsibility for the performance by Euroclear, Clearstream or DTC or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Restricted Global Certificate is lodged with DTC or the Custodian, Restricted Notes represented by individual Certificates will not be eligible for clearing or settlement through Euroclear, Clearstream or DTC.

Individual Certificates

Registration of title to Registered Notes in a name other than the Hong Kong Monetary Authority or a depositary or its nominee for Clearstream and Euroclear or for DTC will be permitted only (i) in the case of Restricted Global Certificates in the circumstances set forth in “*Summary of Provisions Relating to the Notes while in Global Form — Exchange — Permanent Global Certificates — Restricted Global Certificates*” or (ii) in the case of Unrestricted Global Certificates in the circumstances set forth in “*Summary of Provisions Relating to the Notes while in Global Form — Exchange — Permanent Global Certificates — Unrestricted Global Certificates*”. In such circumstances, the relevant Issuer will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Noteholder(s). A person having an interest in a Global Certificate must provide the Registrar with:

- (i) a written order containing instructions and such other information as the relevant Issuer and the Registrar may require to complete, execute and deliver such individual Certificates; and
- (ii) in the case of a Restricted Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Individual Certificates issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

Pre-issue Trades Settlement

It is expected that delivery of Notes will be made against payment therefor on the relevant Issue Date, which could be more than two business days following the date of pricing. Under Rule 15c6-1 of the Exchange Act, trades in the US secondary market generally are required to settle within two business days (“T+2”), unless the parties to any such trade expressly agree otherwise. Accordingly, in the event that an Issue Date is more than two business days following the relevant date of pricing, purchasers who wish to trade Registered Notes in the United States between the date of pricing and the date that is two business days prior to the relevant Issue Date will be required, by virtue of the fact that such Notes initially will settle beyond T+2, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices and, in the event

that an Issue Date is more than two business days following the relevant date of pricing, purchasers of Notes who wish to trade Notes between the date of pricing and the date that is two business days prior to the relevant Issue Date should consult their own adviser.

GENERAL INFORMATION

- (1) China Eximbank has authorised the establishment of the Programme pursuant to the resolutions of the office meeting of president of China Eximbank dated March 31, 2017. China Eximbank has obtained the approval of the National Development and Reform Commission dated September 2, 2024, concerning the scale of its annual overseas borrowings and all other necessary governmental approvals, consents and authorisations.

China Eximbank will report to the National Development and Reform Commission within 10 Working Days following the completion of the issuance of each Series of the Notes, and will complete registration of the proceeds of the Notes with the State Administration of Foreign Exchange through the capital account information system operated by the State Administration of Foreign Exchange pursuant to the Administrative Measures for Registration of Foreign Debts issued by the State Administration of Foreign Exchange on April 28, 2013. “**Working Day**” means a day other than a Saturday or Sunday or any public holidays in China.

- (2) In addition to China Eximbank’s obligation in respect of the Notes listed on the SGX-ST, during the life of each Series of the Notes, China Eximbank will give notice to the investors in the relevant Series of the Notes of any changes in the financial condition of, or other circumstances relating to, China Eximbank that could reasonably be expected to materially and adversely affect its ability to meet its obligations under its relevant Series of the Notes.
- (3) Except as disclosed in the “Risk Factors” section of this Offering Circular, there has been no adverse change, or any development reasonably likely to involve an adverse change, in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of China Eximbank since December 31, 2023, the date of China Eximbank’s latest consolidated financial statements, that is material in the context of the issue of the Notes.
- (4) As of the date of this Offering Circular, China Eximbank is neither involved in any litigation, arbitration or administrative proceedings against or affecting China Eximbank or any of its assets which are or might be material in the context of the issue of the Notes nor aware of any such litigation, arbitration or administrative proceedings, whether pending or threatened.
- (5) The Notes may be accepted for clearance through the Euroclear and Clearstream systems (which are the entities in charge of keeping the records). In addition, an Issuer may make an application for any Restricted Notes to be accepted for trading in book-entry form by DTC Acceptance by DTC of such Notes will be confirmed in the relevant Pricing Supplement. An Issuer may also apply to have Notes accepted for clearance through the CMU. The relevant CMU instrument number will be set out in the relevant Pricing Supplement. The relevant ISIN, the Common Code the CUSIP number and (where applicable) the identification number for any other relevant clearing system for each series of Notes will be specified in the applicable Pricing Supplement. If the Notes are to be cleared through an additional or alternative clearing system, the appropriate information will be set out in the relevant Pricing Supplement.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is 42 Avenue JF Kennedy, L-1855 Luxembourg and the address of DTC is 55 Water Street, New York, New York 10041. The address of any alternative clearing system will be specified in the relevant Pricing Supplement.

- (6) The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Pricing Supplement of each Tranche, based on the prevailing market conditions.

- (7) For so long as Notes may be issued pursuant to this Offering Circular, the following documents will be available, during usual business hours (being between 9:00 a.m. (Hong Kong time) to 3:00 p.m. (Hong Kong time)) on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the specified office of the Fiscal Agent upon written request and proof of holding and identity satisfactory to the Fiscal Agent:
- (a) a copy of this Offering Circular together with any supplement to this Offering Circular;
 - (b) the Fiscal Agency Agreement (which includes the form of the Global Notes, the Global Certificate, the definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons); and
 - (c) each Pricing Supplement (save that a Pricing Supplement will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Fiscal Agent as to its holding of Notes and identity).
- (8) Approval in-principle has been received from the **SGX-ST** for permission to deal in, and quotation of any Notes that may be issued pursuant to the MTN Programme and which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST.

If the application to the SGX-ST to list a particular series of Notes is approved, for so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes, if traded, will be traded on the SGX-ST in a board lot size of at least S\$200,000 (or its equivalent in other currencies).

For so long as any Notes 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 such Notes may be presented or surrendered for payment or redemption) in the event that any of the Global Notes representing such Notes is exchanged for Definitive Notes.

In addition, in the event that any of the Global Notes is exchanged for Definitive Notes, 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 the Definitive Notes, including details of the paying agent in Singapore.

- (9) Each Bearer Note having a maturity of more than one year, Receipt, Coupon and Talon will bear the following legend: *“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”*.

FINANCIAL ACCOUNTING MATTERS

The Financial Management and Accounting Department of China Eximbank prepares annual consolidated financial statements (which include a consolidated balance sheet, a consolidated income statement, a consolidated statement of cash flows and a consolidated statement of changes in shareholders' equity) and submits them to the president and vice presidents of China Eximbank for approval. The consolidated financial statements of China Eximbank are available to the public. The present general manager in charge of the Financial Management and Accounting Department of China Eximbank is Ms. Feng Qian. China Eximbank has entrusted accounting firms to audit the consolidated financial statements as of and for the years ended December 31, 2021, 2022 and 2023.

China Eximbank's consolidated financial statements appearing in this Offering Circular were prepared in Chinese in accordance with the accounting principles and practices set forth in Note I to the consolidated financial statements in the Report of General Manager (Financial Management and Accounting Department) and may differ in material respects from generally accepted accounting principles in the United States and other jurisdictions. The section entitled "Significant Differences Between PRC Accounting Standards and International Financial Reporting Standards" in this Offering Circular contains a summary of certain significant differences between the PRC accounting standards and IFRS. The English version of China Eximbank's consolidated financial statements is a translation from its original Chinese version.

Pursuant to the circular issued by the Ministry of Finance, China Eximbank does not consolidate its foreign government loan on-lending operations into its consolidated financial statements with respect to foreign governmental loans on-lent to central or provincial governmental agencies or borrowers guaranteed by central or provincial governmental agencies. Such on-lending operations are recorded on a separate balance sheet. See "Financial Accounting Matters – Report of General Manager (Financial Management and Accounting Department) – Supplementary Information – Balance Sheet of Onlending Loans of Foreign Governments". The administrative fees and charges received, and the expenses incurred, by China Eximbank in connection with such on-lending operations are, however, included in its consolidated income statement.

The Notes to China Eximbank's consolidated financial statements in this Offering Circular constitute an integral part of such consolidated financial statements. You should read China Eximbank's consolidated financial statements in conjunction with these accompanying Notes.

Report of General Manager (Financial Management and Accounting Department)

October 25, 2024

I have examined the consolidated financial statements of The Export-Import Bank of China ("**China Eximbank**") as of December 31, 2021, 2022 and 2023. In my opinion, the consolidated financial statements are in conformity with the accounts of China Eximbank and comply with the accounting principles and practices applicable to China Eximbank. The consolidated financial information presents fairly and accurately the financial position and results of operations of China Eximbank, as of the dates and for the periods therein stated.

/s/Feng Qian

General Manager (Financial Management and Accounting Department)

The Export-Import Bank of China

Beijing, People's Republic of China

AUDITOR'S REPORT

Xin Kuai Shi Bao Zi [2024] No. ZA31152

To the Export-Import Bank of China:

Opinion

We have audited the accompanying financial statements of the Export-Import Bank of China ("the Bank"), which comprise the consolidated and the Bank's balance sheets as at 31 December 2023, the consolidated and the Bank's income statements, the consolidated and the Bank's statements of cash flows, and the consolidated and the Bank's statements of changes in owners' equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and the Bank's financial position as at 31 December 2023 and the consolidated and the Bank's financial performance and cash flows for the year then ended in accordance with the requirements of Accounting Standards for Business Enterprises.

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics for Professional Accountants of the Chinese Institute of Certified Public Accountants ("CICPA Code"), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management of the Bank ("Management") is responsible for the other information. The other information comprises all of the information included in the 2023 annual report of the Bank, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (4) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- (5) Evaluate the overall presentation (including the disclosures), structure and contents of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Certified Public
Accountant of
China:



Certified Public
Accountant of
China:



This report, the accompanying financial statements and notes to the financial statements are English translation of the Chinese version of the Bank. This translation is not required by law or any regulation. This material was prepared solely for the information of management of the Bank. The accuracy or completeness of this translation is not guaranteed. In the event of any inconsistency between this English translation and the Chinese version, the Chinese version shall prevail.

Consolidated and the Bank's Balance Sheet As at 31 December 2023

(Amounts in millions of RMB unless otherwise stated)

	The Group		The Bank	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
ASSETS:				
Cash and deposits with central bank	22,899	42,552	22,899	42,552
Deposits with banks and other financial institutions	17,415	16,135	16,694	13,174
Placements with banks and other financial institutions	223,036	207,081	223,036	207,081
Derivative financial assets	2,093	2,099	2,093	2,099
Financial assets purchased under resale agreements	273,208	127,789	273,208	127,789
Loans and advances to customer	5,191,802	4,912,936	5,192,871	4,913,995
Financial assets held for trading	155,844	129,492	147,723	121,129
Debt investments	265,713	230,560	199,195	162,602
Other debt investments	173,066	207,158	173,066	207,158
Long-term equity investments	7,200	7,773	79,982	81,384
Investment properties	424	421	424	421
Fixed assets	3,306	3,594	2,786	3,057
Construction in progress	1	15	1	15
Intangible assets	845	1,105	845	1,105
Right-of-use assets	979	1,432	953	1,392
Deferred incomes tax assets	41,603	42,892	41,438	42,763
Other assets	6,502	3,983	6,417	3,861
TOTAL ASSETS	6,385,936	5,937,017	6,383,631	5,931,577

(Amounts in millions of RMB unless otherwise stated)

	The Group		The Bank	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Liabilities:				
Borrowings from central bank	292,678	250,253	292,678	250,253
Due to banks and other financial institutions	169,448	159,643	169,448	159,643
Placements from banks and other financial institutions	30,032	52,712	30,032	52,712
Financial liabilities held for trading	448	477	—	—
Derivative financial liabilities	23,662	42,580	23,662	42,580
Financial assets sold under repurchase agreements	25,009	9,495	25,009	9,495
Due to customers	216,522	203,017	220,341	203,551
Employee benefits payable	292	242	272	227
Taxes payable	2,833	17,508	2,660	17,333
Provisions	4,186	3,189	4,186	3,189
Debt securities issued	5,208,530	4,792,346	5,208,530	4,792,346
Leases liabilities	850	1,321	827	1,284
Deferred income tax liabilities	2,108	1,506	2,106	1,506
Other liabilities	16,324	16,874	15,556	16,094
Total Liabilities	5,992,922	5,551,163	5,995,307	5,550,213
Owner's equity:				
Paid-in capital	150,000	150,000	150,000	150,000
Other equity instruments	59,876	59,876	59,876	59,876
Including: Perpetual bond	59,876	59,876	59,876	59,876
Capital reserves	141,507	141,507	141,507	141,507
Other comprehensive income	982	348	622	158
Surplus reserves	2,313	1,311	2,172	1,306
General reserves	18,919	18,919	18,919	18,919
Undistributed profits	17,192	11,555	15,228	9,598
Total equity attributable to the Bank	390,789	383,516	388,324	381,364
Non-controlling interests	2,225	2,338	—	—
Total Non-controlling Equity	393,014	385,854	388,324	381,364
Total Liabilities and Equity	6,385,936	5,937,017	6,383,631	5,931,577

Consolidated and the Bank's Income Statements

For the year ended 31 December 2023

(Amounts in millions of RMB unless otherwise stated)

Items	The Group		The Bank	
	2023	2022	2023	2022
I. Operating revenue	23,308	31,515	22,215	30,752
Net interest income	25,440	19,791	23,429	19,299
Interest income	198,390	173,433	196,462	172,943
Interest expenses	(172,950)	(153,642)	(173,033)	(153,644)
Net fee and commission income	2,296	2,518	2,296	2,519
Fee and commission income	3,090	3,402	3,090	3,402
Fee and commission expenses	(794)	(884)	(794)	(883)
Investment income	5,000	15,876	5,939	12,322
Including: Investment income from associates and joint ventures	(306)	10	(15)	(165)
Net gains on derecognition of debt instruments at amortized cost	1,316	1,656	1,316	1,656
Gains/(losses) from changes in fair value	1,438	(57,539)	1,434	(54,206)
Exchange losses/(gains)	(10,960)	50,744	(10,961)	50,743
Other operating income	66	48	50	48
Losses from disposal of assets	–	(2)	–	(2)
Other gains	28	79	28	29
II. Operating expenses	(12,223)	(20,281)	(11,792)	(19,569)
Taxes and surcharges	(1,433)	(1,302)	(1,400)	(1,295)
Operating and administrative expenses	(5,131)	(4,559)	(4,890)	(4,376)
Credit impairment losses	(5,635)	(14,367)	(5,478)	(13,845)
Other assets impairment losses	–	(18)	–	(18)
Other operating costs	(24)	(35)	(24)	(35)
III. Operating Profit	11,085	11,234	10,423	11,183
Add: Non-operating income	13	18	13	18
Less: Non-operating expenses	(95)	(377)	(95)	(377)
IV. Profit before income tax	11,003	10,875	10,341	10,824
Less: Income tax expenses	(2,165)	(2,815)	(1,685)	(2,798)
V. Net profit	8,838	8,060	8,656	8,026
Net profit attributable to Equity holders of the Bank	8,799	8,072	8,656	8,026
Non-controlling interests	39	(12)	–	–

(Amounts in millions of RMB unless otherwise stated)

Items	The Group		The Bank	
	2023	2022	2023	2022
VI. Other comprehensive income	634	(85)	464	(858)
Other comprehensive income after tax attributable to the Bank	634	(85)	464	(858)
(1) Items that will not be reclassified to profit or loss	–	–	–	–
(2) Items that may be reclassified to profit or loss	634	(85)	464	(858)
i. Other comprehensive income of recognised under equity method	–	–	–	–
ii. Changes in fair value of debt instruments measured at fair value through other comprehensive income	474	(822)	474	(822)
iii. Allowance for credit losses on debt instruments measured at fair value through other comprehensive income	(4)	(19)	(4)	(19)
iv. Exchange differences on translation of foreign operations	164	756	(6)	(17)
Other comprehensive income – after tax attributable to non-controlling interests	–	–	–	–
VII. Total comprehensive income	9,472	7,975	9,120	7,168
(1) Total comprehensive income attributable to the Bank	9,433	7,987	9,120	7,168
(2) Total comprehensive income attributable to non-controlling interests	39	(12)	–	–

Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

(Amounts in millions of RMB unless otherwise stated)

	Paid-in capital	Other equity instruments	Capital reserves
Balance at 1 January 2023	150,000	59,876	141,507
Movements over the year	—	—	—
(I) Total comprehensive income for the year	—	—	—
(II) Owner's contributions and decreases of capita	—	—	—
(III) Appropriation of profits	—	—	—
1. Appropriation to surplus reserves	—	—	—
2. Distributions to owners	—	—	—
3. Distributions to the holders of other equity instruments	—	—	—
Balance at 31 December 2023	150,000	59,876	141,507
Balance at 1 January 2022	150,000	59,876	141,507
Movements over the year	—	—	—
(I) Total comprehensive income for the year	—	—	—
(II) Owner's contributions and decreases of capita	—	—	—
(III) Appropriation of profits	—	—	—
1. Appropriation to surplus reserves	—	—	—
2. Distributions to owners	—	—	—
3. Distributions to the holders of other equity instruments	—	—	—
Balance at 31 December 2022	150,000	59,876	141,507

Attributable to equity holders of the Bank						
Other comprehensive income	Surplus reserves	General reserves	Undistributed profits	Subtotal	Non-controlling interests	Total equity
348	1,311	18,919	11,555	383,516	2,338	385,854
634	1,002	—	5,637	7,273	(113)	7,160
634	—	—	8,799	9,433	39	9,472
—	—	—	—	—	70	70
—	1,002	—	(3,162)	(2,160)	(222)	(2,382)
—	1,002	—	(1,002)	—	—	—
—	—	—	—	—	(222)	(222)
—	—	—	(2,160)	(2,160)	—	(2,160)
982	2,313	18,919	17,192	390,789	2,225	393,014
433	504	18,919	6,450	377,689	2,790	380,479
(85)	807	—	5,105	5,827	(452)	5,375
(85)	—	—	8,072	7,987	(12)	7,975
—	—	—	—	—	402	402
—	807	—	(2,967)	(2,160)	(842)	(3,002)
—	807	—	(807)	—	—	—
—	—	—	—	—	(842)	(842)
—	—	—	(2,160)	(2,160)	—	(2,160)
348	1,311	18,919	11,555	383,516	2,338	385,854

The Bank's Statement of Changes in Owner's Equity For the year ended 31 December 2023

(Amounts in millions of RMB unless otherwise stated)

	Paid-in capital	Other equity instruments
Balance at 1 January 2023	150,000	59,876
Movements over the year	—	—
(I) Total comprehensive income for the year	—	—
(II) Owner's contributions and decreases of capita	—	—
(III) Appropriation of profits	—	—
1. Appropriation to surplus reserves	—	—
2. Distributions to the holders of other equity instruments	—	—
Balance at 31 December 2023	150,000	59,876
Balance at 1 January 2022	150,000	59,876
Movements over the year	—	—
(I) Total comprehensive income for the year	—	—
(II) Owner's contributions and decreases of capita	—	—
(III) Appropriation of profits	—	—
1. Appropriation to surplus reserves	—	—
2. Distributions to the holders of other equity instruments	—	—
Balance at 31 December 2022	150,000	59,876

Capital reserves	Other comprehensive income	Surplus reserves	General reserves	Undistributed profits	Total equity
141,507	158	1,306	18,919	9,598	381,364
–	464	866	–	5,630	6,960
–	464	–	–	8,656	9,120
–	–	–	–	–	–
–	–	866	–	(3,026)	(2,160)
–	–	866	–	(866)	–
–	–	–	–	(2,160)	(2,160)
141,507	622	2,172	18,919	15,228	388,324
141,507	1,016	504	18,919	4,534	376,356
–	(858)	802	–	5,064	5,008
–	(858)	–	–	8,026	7,168
–	–	–	–	–	–
–	–	802	–	(2,962)	(2,160)
–	–	802	–	(802)	–
–	–	–	–	(2,160)	(2,160)
141,507	158	1,306	18,919	9,598	381,364

Consolidated and the Bank's Cash Flow Statements

For the year ended 31 December 2023

(Amounts in millions of RMB unless otherwise stated)

	The Group		The Bank	
	2023	2022	2023	2022
I. Cash flows from operating activities				
Net decrease in balances with central banks and deposits with banks and other financial institutions	278	257,629	998	257,629
Net decrease in placements with banks and other financial institutions	519	—	519	—
Net decrease in financial assets held for trading purposes	—	13,388	—	10,781
Net increase in borrowings from central bank	41,888	33,523	41,888	33,523
Net increase in due to customers, banks and other financial institutions	21,189	—	24,474	—
Net increase in repurchase agreements	15,510	—	15,510	—
Cash received from interest, fee and commission	192,987	174,156	193,046	174,259
Other cash received relating to operating activities	7,873	70,991	7,985	70,388
Sub-total of cash inflows from operating activities	280,244	549,687	284,420	546,580
Net increase in placements with banks and other financial institutions	—	(29,342)	—	(29,342)
Net increase in loans and advances to customers	(280,663)	(595,816)	(280,654)	(593,786)
Net increase in financial assets hold under resale agreements	—	(26)	—	(26)
Net increase in financial assets held for trading	(25,095)	—	(25,383)	—
Net decrease in due to customers, banks and other financial institutions	—	(215,907)	—	(215,373)
Net decrease in placements from banks and other financial institutions	(22,691)	(1,138)	(22,691)	(1,138)
Net decrease in financial assets sold under repurchase agreements	—	(19,890)	—	(19,890)
Cash paid for interest, fee and commission	(14,796)	(11,556)	(14,879)	(11,558)
Payments of taxes	(17,640)	(12,409)	(17,095)	(12,396)
Payments to and for employees	(2,554)	(2,597)	(2,516)	(2,555)
Other payments relating to operating activities	(43,413)	(93)	(43,461)	(157)
Sub-total of cash outflows from operating activities	(406,852)	(888,774)	(406,679)	(886,221)
Net cash flows from operating activities	(126,608)	(339,087)	(122,259)	(339,641)
II. Cash flows from investing activities				
Cash received from disposal of investments	229,344	148,905	228,970	148,710
Proceeds from disposal of properties, equipments and other assets	—	12	—	12
Cash received from returns on investments	13,826	13,095	12,531	12,472
Other cash received relating to investing activities	—	—	—	—
Sub-total of cash inflows from investing activities	243,170	162,012	241,501	161,194
Cash paid to investments	(229,792)	(279,377)	(229,653)	(280,141)
Cash paid to acquire fixed assets, intangible assets and other long-term assets	(234)	(1,022)	(234)	(1,022)
Other cash paid relating to investing activities	—	—	—	—
Sub-total of cash outflows from investing activities	(230,026)	(280,399)	(229,887)	(281,163)
Net cash flows from investing activities	13,144	(118,387)	11,614	(119,969)

(Amounts in millions of RMB unless otherwise stated)

	The Group		The Bank	
	2023	2022	2023	2022
III. Cash flows from financing activities				
Cash received from capital contribution	70	402	–	–
Cash received from debt securities issued	1,403,324	1,677,172	1,403,324	1,677,172
Cash received relating to other financing activities	–	–	–	–
Sub-total of cash inflows from financing activities	1,403,394	1,677,574	1,403,324	1,677,172
Cash payments for distribution of dividends or profits	(222)	(842)	–	–
Cash paid for and repayments of securities issued	(992,269)	(1,044,604)	(992,269)	(1,044,604)
Cash payments for interest expenses	(153,307)	(147,965)	(153,307)	(147,978)
Other cash payments relating to financing activities	(704)	(652)	(689)	(639)
Sub-total of cash outflows from financing activities	(1,146,502)	(1,194,063)	(1,146,265)	(1,193,221)
Net cash flows from financing activities	256,892	483,511	257,059	483,951
IV. Effect of foreign exchange rate changes on cash	295	1,624	269	1,375
V. Net increase in cash and cash equivalents	143,723	27,661	146,683	25,716
Add: Opening balance of cash and cash equivalents	219,087	191,426	216,125	190,409
VI. Closing balance of cash and cash equivalents	362,810	219,087	362,808	216,125

1. Basis of financial statement preparation

1. Basis of preparation

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and guidelines, interpretations and other related provisions issued by the Ministry of Finance which collectively referred to as China Accounting Standards ("CAS").

2. Going concern

The financial statements have been prepared on a going concern basis.

3. Besides of applying the CAS, the Bank also adopted the following specific accounting policies:

(1) Re-lending business on loans from foreign governments

Re-lending loans from foreign governments refers to concessional loans borrowed from foreign governments by the Chinese Ministry of Finance in the name of the Chinese Government. The Bank is entrusted to lend the loans to domestic borrowers and is responsible for the offering and collecting of the principal and interest of loan, as well as repayment to borrower, etc.

The re-lending projects could be classified into three types in accordance with different repayment obligations:

Type One: Projects that the borrower is either a local provincial department of finance or a relevant department of the State Council, who is responsible for the loan repayment.

Type Two: Projects that the borrower is a company and responsible for loan repayment, where the local provincial department of finance or relevant department of the State Council provides a repayment guarantee for it.

Type Three: Projects that the borrower is a company and responsible for loan repayment, where the local provincial department of finance or relevant department of the State Council does not provide repayment guarantee for it. The bank assesses the project independently; re-lends on the Bank's own accord, bears the risks and acts as the final repayment party.

To comply with Caizhaizi (2000) No.71 circular issued by the Ministry of Finance, the projects of type three are proprietary loans and accounted on the accrual basis on the financial statements, while the projects of type one and type two are agency transactions and treated as off-balance sheet items on the cash basis. Profit or loss from the projects of type one and type two are accrued in the Bank's income statement according to the corresponding account every month, mainly including commission income from being an agent, interests income and expenses on re-lending loans, and foreign exchange gains/losses on re-lending loans. The Bank presents the cumulative net gain or net loss as of the balance sheet date in the caption of "re-lending business current account" under other assets or "re-lending business current account" under other liabilities.

(2) General reserves

The Bank's general reserves are used for the compensation of unidentified potential losses. Specific provision rate or amount is according to the regulatory requirement of the supervisory authority.

(3) Retirement Welfare Obligations

In accordance with the requirement of the supervisory authority, the obligation of employees' retirement welfare of the Bank is based on cash basis.

II. Statement of compliance

These financial statements have been prepared in compliance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance ("MOF") to truly and completely reflect the consolidated and the Bank's financial positions as of 31 December 2023, as well as their operating performance, cash flows and other relevant information by the end of 2023.

III. Significant accounting policies

1. Accounting period

The accounting period of the Bank is from 1 January to 31 December of each calendar year.

2. Functional currency

The functional currency of the Bank is the Renminbi (RMB), except for the branch in Paris which is using Euro as its functional currency. Foreign currency transactions are accounted by using dual accounts system.

3. Business combinations and preparation of consolidated financial statements

For business combinations involving enterprises not under common control, the consideration costs include acquisition-date fair values of the assets transferred, liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for control of the acquirer. At the acquisition date, the acquired assets, liabilities and contingent liabilities of the acquiree are measured at their fair value.

Where the combination cost exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognized as goodwill, and subsequently measured on the basis of its costs 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 credited in profit or loss for the current period after reassessment.

(1) Scope of consolidation

The scope of consolidated financial statements is determined on the basis of control. Control exists when the Bank 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 Bank (including enterprise, a portion of an investee as a deemed separate component, and structured entity controlled by the enterprise).

The scope of the Bank's consolidated financial statements includes: EIBC Holdings limited, CEEF Holdings limited, CLACF Holdings limited, Shanghai Shengying Real Estate Co., Ltd, Jinyin Infrastructure Fund Co., Ltd.

(2) Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared by the Bank based on the financial statements of the Bank and its subsidiaries and other relevant information. In preparation for consolidated financial statements, the accounting policies and accounting periods of the subsidiaries should be consistent with those established by the Bank, and all significant inter-company accounts and transactions are eliminated.

During the reporting period, where a subsidiary and business were acquired by a business combination under common control, the beginning balances of the consolidated balance sheet were adjusted. The revenue, expenses, profit and cash flow of the subsidiary and business of the current year were consolidated into the reporting period. The subsidiary or business is deemed to be included in the consolidated financial statements from the date they are controlled by the ultimate controlling party.

Where a subsidiary or business has been acquired during the reporting period, through a business combination not involving enterprises under common control, the revenue, expenses and profit of the subsidiary or business after the acquisition date are included in the consolidated income statement, the cash flows after the acquisition date are included in consolidated cash flow statement.

The portion of a subsidiary's equity that is not attributable to the parent is treated as minority 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 minority interests is presented in the consolidated income statement below the "net profit" line item as "minority interests". When the amount of loss for the current period attributable to minority interests of the subsidiary exceeds the minority interests' share of the opening equity of the subsidiary, the excess is still allocated against the minority interests.

Where the Bank acquires a minority interest from a subsidiary's minority shareholders or disposes of a portion of an interest in a subsidiary without a change in control, the transaction is treated as equity transaction, and the book value of shareholder's equity attributed to the Bank and to the minority interest is adjusted to reflect the change in the Bank's interest in the subsidiaries. The difference between the proportion interests of the subsidiary's net assets being acquired or disposed and the amount of the consideration paid or received is adjusted to the capital reserves in the consolidated balance sheet, with any excess adjusted to retained earnings.

(3) Losing control over the subsidiary

When the Bank loses control over 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 losing control over the subsidiary. A gain or loss is recognized in profit or loss for the current period and is calculated by the aggregate of the consideration received in disposal and the fair value of remaining part of the equity investment deducting the share of carrying value of net assets in proportion to previous shareholding percentage in former subsidiary since acquisition date and the goodwill.

Other comprehensive income related to the former subsidiary is transferred to profit or loss for the current period 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.

4. Classification of joint venture arrangements and accounting methods for joint operations

The Bank's joint venture arrangements are categorized into joint operations and joint ventures.

A joint operation is a joint arrangement whereby the joint operators have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Bank recognizes the following items in relation to its interest in a joint operation, and accounts for them in accordance with relevant accounting standards:

- ① Confirmation of its solely-held assets, and its share of any liabilities incurred jointly;
- ② Confirmation of its solely-assumed liabilities, and its share of any liabilities incurred jointly;
- ③ Confirmation of its revenue from the sale of its share of the output arising from the joint operation;
- ④ Confirmation of its share of the revenue from the sale of the output by the joint operation; and
- ⑤ Confirmation of its solely-incurred expenses, and its share of any expenses incurred jointly.

The Bank adopts the equity method in accounting for joint venture, as detailed in the accounting policies described in Note III.11.

5. Cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, which is including cash, deposits in central bank with unrestricted nature, and due from banks and other financial institutes, inter-bank lending and financial assets purchased under resale agreement with original maturity not more than 3 months.

6. Foreign currency transactions and translation of foreign currency financial statements

(1) Foreign currency transactions

When the Bank receives capital in foreign currencies from investors, the capital is translated to Renminbi at the spot exchange rate at the date of the receipt. Other foreign currency transactions are, on initial recognition, translated to Renminbi at the spot exchange rates or using a reasonably systematic method to determine the exchange rate similar to the dates of the transactions.

Monetary items denominated in foreign currencies are translated to RMB at the spot exchange rate at the balance sheet date. The resulting exchange differences between the spot exchange rate on the balance sheet date and the spot exchange rate on initial recognition or on the previous balance sheet date are recognized 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, and the exchange differences are recognized in profit or loss for the current period or other comprehensive income.

(2) Translation of foreign currency financial statements

At the balance sheet date, the foreign currency financial statements are translated into RMB. The assets and liabilities of the balance sheet are translated to RMB using the spot exchange rate at the balance sheet date. Items of the shareholders' equity, except for "undistributed profits" and exchange difference resulted in the translation of foreign currency financial statements that recognized in "other comprehensive income", are translated at the spot exchange rate at the dates on which such items arose. The revenue and expenditures in the statement of income are translated using the spot exchange rate at the transaction date. The above exchange differences resulted in the translation of foreign currency financial statements are recognised in "other comprehensive income" under the caption of owner's equity. Items of the cash flow statement are translated using the spot exchange rate when it incurs. Effects arising from changes of exchange rates on cash and cash equivalents are presented separately as "Effect of changes in exchange rates on cash and cash equivalents" in the cash flow statement.

7. Financial instruments

(1) Recognition and derecognition of financial instruments

A financial asset or financial liability is recognized when the Bank becomes a party to the contractual provisions of a financial instrument.

Buying and selling financial assets in a conventional manner should be recognized and derecognized on the trading day. Buying and selling financial assets in a conventional manner means collecting or delivering financial assets within the time limit specified by regulations or convention in accordance with the terms of the contract. The trading day means the date on which the Bank undertakes to buy or sell the financial asset.

Financial asset is derecognized when one of the following conditions is met (part of a financial asset, or part of a group of similar financial assets), written off from its accounts and balance sheet:

- ① The Bank's contractual rights to the cash flows from the financial asset expire;
- ② The rights to receive cash flows from an asset are transferred, or the obligations to pay the cash flows to a third party in full and in a timely manner are assumed; and either (a) The Bank transfers substantially all of the risks and rewards of ownership of the financial assets, or (b) Although the Bank neither transfers nor retains substantially all of the risks and rewards of ownership of the financial assets, it does not retain control over the transferred asset.

(2) Classification and measurement of financial assets

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. On initial recognition, a financial asset is classified as measured at amortized cost, at fair value through other comprehensive income ("FVOCI"), or at fair value through profit or loss ("FVTPL"). The subsequent measurements of financial assets depend on their classification.

The bank's classification of financial assets is based on the bank's business model of managing financial assets and the cash flow characteristics of financial assets.

A. Financial assets measured at amortized cost

A financial asset is classified as a financial asset measured at amortized cost if it meets both of the following conditions: It is held within a business model whose objective is to hold assets to collect contractual cash flows; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortized cost using the effective interest method. A gain or loss on a financial asset that is measured at amortized cost shall be recognized in profit or loss through the amortization process or in order to recognize impairment gain or loss.

B. Debt instruments measured at FVOCI

A financial asset is classified as a financial asset measured at FVOCI if it meets both of the following conditions: It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, impairment and foreign exchange gains and losses are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

C. Equity instruments measured at FVOCI

The Bank irrevocably chooses to designate certain investments in non-tradable equity instruments as FVOCI. These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other net gains or losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to retained earnings.

D. Financial assets measured at FVTPL

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Such financial assets that the Banks holds are subsequently measured at fair value. A gain or loss on such financial asset is recognised in profit or loss.

Only if the Bank changes its business model of managing financial assets, all affected related financial assets are reclassified.

For financial assets measured at FVTPL, the relevant fees are directly included in the current profit or loss, and the fees related to other types of financial assets are included in their initial recognition amount.

(3) Recognition of financial liabilities/equity instruments and classification and measurement of financial liabilities

The Bank classifies financial liabilities into different categories at initial recognition: financial liabilities measured at amortized cost or financial liabilities measured at FVTPL.

The Bank may, at initial recognition, irrevocably designate a financial liability as measured at FVTPL: (i) it eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an accounting mismatch); (ii) a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel; (iii) this financial liability contains derivatives that need to be spun off separately.

The Bank classifies financial liabilities into different categories at initial recognition. For financial liabilities measured at FVTPL, the relevant fees are directly included in the current profit or loss, and the fees related to other types of financial liabilities are included in their initial recognition amount.

Subsequent measurement of financial instruments depends on the categories:

A. Financial liabilities measured at FVTPL

Financial liability is classified as measured at FVTPL if it is classified as held-for-trading (including derivative financial liability) or it is designated as such on initial recognition.

B. Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost using the effective interest method.

(4) Impairment of financial assets

The Bank recognizes loss allowances for ECL on financial assets measured at amortized cost; debt instruments measured at FVOCI; and loan commitments and financial guarantee contracts. Credit losses refers to the difference between all contract cash flows receivable under the contract and all cash flows expected to be received, discounted by the Bank at the original effective interest rate, that is, the present value of all cash shortfalls.

The Bank considers all reasonable and substantiated information, including forward-looking information, to estimate the expected credit loss of financial assets measured at amortized cost and financial assets measured at FVOCI (debt instruments) individually or in combination.

A. General model of expected credit loss

If the credit risk of the financial instrument has increased significantly since the initial recognition, the Bank measures its loss provision in an amount equivalent to the expected credit loss over the lifetime of the financial instrument; and if the credit risk of the financial instrument has not increased significantly since the initial recognition, the Bank measures its loss provision in an amount equivalent to the expected credit loss of the financial instrument over the next 12 months. The amount of the resulting increase or reversal of the loss provision is included in the current profit or loss as an impairment loss or gain.

The Bank considers that the credit risk of the financial instrument has increased significantly if there is an more than 30 days overdue payment, unless there is conclusive evidence that the credit risk of the financial instrument has not increased significantly since the initial recognition.

Specifically, the Bank divides the process of credit impairment of financial instruments that are not credit-impaired at the time of purchase or origination into three stages. There are different accounting treatment methods for the impairment of financial instruments in different stages:

Stage 1: Credit risk has not increased significantly since initial recognition

For financial instruments at this stage, the Bank shall measure the loss provision based on the expected credit loss in the next 12 months, and calculate the interest income based on its book balance (that is, before deducting the impairment provision) and the actual interest rate (if the instrument is a financial asset, The same below).

Stage 2: Credit risk has increased significantly since initial recognition but no credit impairment has occurred

For a financial instrument at this stage, the Bank shall measure the loss provision based on the expected credit loss of the entire duration of the instrument, and calculate the interest income based on its book balance and actual interest rate.

Stage 3: Credit impairment occurs after initial recognition

For financial instruments in this stage, the Bank shall measure the loss provision according to the expected credit loss of the entire duration of the instrument, but the calculation of interest income is different from the financial assets in the first two stages. For credit-impaired financial assets, the enterprise shall calculate interest income based on its amortized cost (book balance minus provision for impairment, i.e. book value) and actual interest rate.

For financial assets that have incurred credit impairment at the time of purchasing or origin, only the change in the expected credit loss for the entire period after initial recognition should be recognized as a loss provision. And the interest income shall be calculated at its amortized cost and the credit-adjusted interest rate.

B. The Bank will not compare the credit risk of a financial instrument with a lower credit risk at the balance sheet date, and directly assumed that the credit risk of the instrument had not increased significantly since the initial recognition.

A financial instrument may be considered to have a lower credit risk if the bank determines that the risk of breaking the contract is low, the borrower's ability to perform its obligation is strong, and it will not necessarily reduce the borrower's ability to meet its obligation to pay contractual cash flows even if there are adverse changes in the economic situation and operating environment over a longer period of time.

C. Receivables and lease receivables

The Bank adopts a simplified model of expected credit losses for receivables under CAS14-Revenue that do not contain a material financing component (including where the financing component of a contract not exceeding one year is not taken into account under the Standard) and always measures its loss provision against the amount of the expected credit loss over the lifetime.

For receivables containing a significant financing component and lease receivables regulated by CAS21-Leases, the Bank has chosen to adopt a simplified model of expected credit losses, i.e. to measure loss provisions in an amount equivalent to expected credit losses over the lifetime.

D. Description of parameters, assumptions, and estimation techniques

Expected credit losses ("ECL") for a financial instrument is measured at an amount equal to 12-month ECL or lifetime ECL depending on whether a significant increase in credit risk on that financial instrument has occurred since initial recognition or whether an asset is considered to be credit-impaired. The loss allowance for loans and advances to customers, other than those credit businesses which is credit-impaired, is measured using the risk parameters method. The key parameters include Probability of Default ("PD"), Loss Given Default ("LGD"), and Exposure at Default ("EAD"), considering the time value of money.

The Bank classifies assets with similar risk characteristics according to the industry of customers, type of customers and other attributes, and the Bank assesses collectively the expected credit loss of each portfolio.

There have been no significant changes in estimation techniques or significant assumptions made during the year.

The impairment loss of credit business that has incurred credit impairment is generally measured using the cash flow discount method.

The Bank uses the management overlay to adjust the ECL assessment results in accordance with regulatory requirements, if it is difficult to reflect the impact of relevant risk factors on the ECL through stage division, assessment model and forward-looking adjustment in the short term.

E. Forward-looking information contained in ECL

Through historical data analysis, the Bank identified macroeconomic indicators that affect expected credit losses, such as gross domestic product (GDP), consumer price index (CPI), producer price index (PPI), broad money (M2), etc. For the GDP, the Bank's forecasted GDP growth rate for the year under the neutral scenario, and the forecasted GDP growth rate for the year under the optimistic and pessimistic scenarios is based on the forecasted value of the neutral scenario. Floating and floating are formed at a certain level.

When calculating the weighted average ECL, the optimism, neutral and pessimism scenarios and its weightings determined by a combination of macro-statistical analysis and expert judgment are taken into account by the Bank.

(5) Transfer of financial assets

The Bank derecognizes a financial asset if it transfers substantially all the risks and rewards of ownership of the financial asset to the transferee. If substantially all the risks and rewards of ownership of the financial asset is retained, the financial asset is not derecognized.

The Bank neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, and the accounting treatment is shown as following: if the Bank has forgone control over the financial asset, the financial assets are derecognized, and new assets and liabilities are recognized. If the Bank retains control over the financial asset, the financial asset is recognized to the extent of its continuing involvement in the transferred financial asset, and an associated liability is recognized.

If the company continues to be involved by providing financial guarantee for the transferred financial assets, the assets formed by continuous involvement shall be recognized according to the lower of the book value of the financial assets and the amount of financial guarantee. The amount of financial guarantee is the maximum amount of consideration received that will be required to be repaid.

(6) Offset between financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(7) Write off

When the Bank determines that a loan has no reasonable prospect of recovery after the Bank has completed all the necessary legal or other proceedings, the loan is written off against its allowance for impairment losses according to the Ministry of Finance. If in a subsequent period the loan written off is recovered, the amount recovered will be recognized in profit or loss through impairment losses.

8. Fair value measurement

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial instruments are measured at fair value. The fair value of the Bank's financial instruments such as bond investments with active markets (excluding derivative financial products) generally refers directly to quotes in active markets. Quotes in active markets refer to readily and regularly available from an exchange, broker, industry group, or pricing service agency, and represents the actual occurring market transactions on an arm's length basis. For financial instruments such as bond investments that do not have active market quotes and derivative financial products, their fair value is determined by valuation method. Valuation techniques used include reference to prices used in recent market transactions by parties familiar with the situation under voluntary transactions, current fair values of other financial instruments that are substantially identical, discounted cash flow methods, and option pricing models. The Bank selects valuation techniques that were generally accepted by market participants and verified by previous market transaction prices. The Bank regularly evaluates valuation techniques and tests their effectiveness.

9. Transaction of purchased under resale agreements and sold under repurchase agreement

A transaction of purchased under resale agreements is the purchase of securities from a counter-party under a resale agreement and the resale of the same securities at an agreed price on a future date. The transaction of sold under repurchase agreement is the sale of securities to a counter-party under the repurchase agreement and the repurchase of the same securities at an agreed price on a future date.

Purchased under resale agreements and sold under repurchase agreement are accounted for as the amount actually paid or received at the time of the transaction and are reflected in the balance sheet. The underlying assets of purchased under resale agreement are not recognized and are registered off-balance sheet. The underlying assets of sold under repurchase agreement are still reflected in the balance sheet.

The interest income earned on the purchased under resale agreement and the interest expense payable on sold under repurchase agreement are recognized as interest income and interest expense over the period of the agreement using the effective interest method.

10. Derivative financial instruments and embedded derivative instruments

Derivative financial instruments are those value responding the changes in specific interest rates, prices of financial instruments, commodity prices, exchange rates, price or interest rate indices, credit ratings or credit indices, or other variables; There is no requirement for an initial investment, or a small initial investment comparing to other types of contracts that would have a similar changes of the market Derivative financial instruments is a financial instrument settled at a future date.

The Bank's derivative financial instruments include forward exchange contract, currency exchange rate swap agreement, interest rate swap agreement and foreign currency option contract. Derivative financial instruments are initially measured at the fair value of the date a derivative contract entered into and subsequently measured at their fair value. The fair value of derivative financial instruments is determined using active market quotes (including recent market transaction prices) or using valuation methods (including discounted cash flow models and option pricing models). Derivative financial instruments with positive fair value are recognized as assets while those with negative fair value are recognized as liabilities. Certain transactions of derivative financial instruments, under the Bank's risk management strategy, are used to provide effective economic hedging for specific interest rate and exchange rate risks. Since they do not meet the Accounting Standards for Business Enterprises No. 24-Hedge Accounting for applicable hedge accounting, the Bank treats these derivative financial instruments in accordance with derivative financial instruments held for trading purposes, and the changes in fair value are included in "gains or losses from changes in fair value".

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the hybrid (combined) instrument vary in a way similar to a stand-alone derivative.

If a hybrid contract contains a host that is a financial asset, the Group applies the requirements of classification and measurement to the entire hybrid contract. If a hybrid contract contains a host that is not a financial asset or other items, the Group separates the embedded derivative from the host contract and accounts for it as a derivative, if, and only if:

- the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract
- a separately instrument with the same terms as the embedded derivative would meet the definition of a derivative: and
- The hybrid (combined) instrument is not measured at fair value with changes in fair value recognized in the income statement.

These embedded derivatives separated from the host contract are measured at fair value with changes in fair value recognised in the income statement. If it is unable to measure the embedded derivative separately either at acquisition or at the subsequent financial reporting date, the Group will designate the entire hybrid instrument as at fair value through profit or loss.

11. Long-term equity investments

Long-term equity investments include equity investment in subsidiaries, joint ventures and associates.

Investments in subsidiaries are initially recognized at the cost of investment and accounted for using the cost method in the bank's balance sheet. The cash dividends or profits announced for distribution by the investee shall be recognized as current investment income.

Joint ventures are entities over which the Bank engages in business activities through joint control with one or more parties in accordance with contractual agreements.

Associates are entities over which the Bank has no control or joint control but over which the Group is able to exercise significant influence.

(1) Determination of investment cost

Long-term equity investment acquired through a business combination: For a business combination involving enterprises under common control, the initial investment cost of a long-term equity investment is the combining party's share of the carrying amount of the owners' equity of the combined party in the consolidated financial statements of the ultimate controlling party at the date of combination. For a business combination not involving enterprises under common control, the initial investment cost of a long-term equity investment is the cost of acquisition.

Long-term equity investment acquired other than through a business combination: For a long-term equity investment acquired by cash, the initial investment cost is the amount of cash paid. For a long-term equity investment acquired by issuing equity securities, the initial investment cost is the fair value of the equity securities issued.

(2) Subsequent measurement and recognition of profit or loss

Long-term equity investments in subsidiaries are accounted for using the cost method, unless the investment satisfies the conditions of held-for-sale. An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement.

For long-term equity investment which is accounted for using the cost method, the cash dividend or profit announced and distributed is recognized as investment income in profit or loss for the current period, except for those cash dividend or profit which have already included in the actual payment or consideration of offer when the investment was made.

For long-term equity investment which is accounted for using the equity method, where the initial investment cost of a long-term equity investment exceeds the Bank's interest in the fair values of the investee's identifiable net assets, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Bank's interest in the fair values of the investee's identifiable net assets, the difference is charged to profit or loss for the current period, and the carrying amount of the long-term equity investment is adjusted accordingly.

Under the equity method, the Bank recognizes its share of the investee's net profit or losses and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. The carrying amount of the investment is reduced by the portion of any profit distributions or cash dividends declared by the investee that is attributable to the Bank. The Bank's share of the investee's owners' equity changes, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution, is recognized in the owner's equity, and the carrying amount of the long-term equity investment is adjusted accordingly.

It is recognized on the basis of the fair value of the investee's identifiable assets at the time of acquisition of the investment, and after adjusting the net profit and other comprehensive income of the investee in accordance with the accounting policies and accounting periods, when recognizing the share of the investee's net profit and loss, other comprehensive income and other changes in owner's equity.

The unrealized profit or loss of internal transactions between the Bank and an associate or joint venture shall be offset in accordance with the proportion attributable to the Bank, and the investment income shall be recognized on this basis, except where the assets invested or sold constitute business. The unrealized internal transaction losses incurred with the investee belong to assets. If the unrealized internal transaction loss occurred with the investee is an asset impairment loss, it shall be fully recognized.

Net losses incurred by the Bank on joint ventures or associates, except for the obligation to bear additional losses, are limited to the carrying value of long-term equity investments and other long-term interests that substantially constitute net investments in joint ventures or associates. If a joint venture or associate enterprise later realizes net profit, the Bank shall resume the recognition of the income sharing amount after the income sharing amount has made up the unrecognized loss sharing amount.

(3) Method of impairment testing and impairment provision

For investment of subsidiaries, associates and joint ventures, refer to Note III. 19 for the method of asset impairment.

12. Investment properties

Investment property is recognized as real estate held to earn rentals or for capital appreciation, or both. The Bank's investment properties include land use rights that are leased out, land use rights that are held and intended to be transferred after appreciation, and buildings that are leased out.

Subsequent expenditures related to investment real estate are included in the cost of investment real estate when the related economic benefits are likely to flow in and their costs can be reliably measured; Otherwise, it is measured in profit or loss when incurred.

The Bank's investment property is initially measured at acquisition cost, and is depreciated or amortized according to the same policy for fixed assets or intangible assets.

When an investment property is sold, transferred, retired or damaged, the amount of proceeds on disposal of the property deducting the carrying amount and related taxes and surcharges is recognized in profit or loss for the current period.

13. Fixed assets

(1) Recognition of fixed assets

Fixed assets are tangible assets that are higher unit price and have useful lives more than one accounting year.

Fixed assets include buildings, equipment, motor vehicles and others. A fixed asset is initially measured at cost. The cost of a purchased fixed asset comprises its purchase price, relevant taxes such as tariffs and any directly attributable costs of bringing the asset to its present working condition and location for its intended use. The cost of a proprietary constructed fixed asset comprises those expenditures necessarily incurred for bringing the asset to working condition for its intended use. The fixed assets invested by investors are recorded at the value agreed in the investment contract or agreement, but using fair value when the value stipulated in the contract or agreement is not fair. The cost of fixed assets under finance lease is based on the lower of the fair value of the leased assets on the lease start date and the present value of the minimum lease payment.

Subsequent expenditures incurred on a fixed asset, such as repairs and maintenance cost, dismantlement, removal and restoration costs, is included in the cost of the fixed asset, only if it meets the recognition criteria of a fixed asset. The carrying amount of the replaced part is derecognized. Other subsequent expenditures that fails to meet the recognition criteria of a fixed asset shall be recognized in profit or loss in the period in which they are incurred.

(2) Depreciation methods

The Bank provides depreciation for all its fixed assets other than fully depreciated fixed assets that are still in use and land that is separately valued and accounted for. Depreciation is calculated on the straight-line basis and expense according to its use. The estimated useful lives, residual value rates and depreciation rates of the Bank's fixed assets are as follows:

Categories	Useful life (years)	Residual rate	Annual depreciation rate
Buildings	30-35	3.00%	2.77%-3.23%
Equipment	3-5	3.00%	19.40%-32.33%
Motor vehicles	6	3.00%	16.17%
Other equipment	5	3.00%	19.40%

(3) Impairment testing and the impairment provision of fixed assets refer to Note III. 19.

(4) The Bank reviews the useful life, estimated net residual value and the depreciation method of fixed assets at the end of each financial year. Useful lives of fixed assets are adjusted if they are different with the initial estimates.

A fixed asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or losses arising from selling, transferring, retiring or damaging the asset, which calculated as the difference between the net disposal proceeds and the carrying amount of the asset and related tax expenses is recognized in the profit or loss for the current period.

14. Construction in progress

Construction in progress is recognized based on the actual construction cost, including all expenditures incurred for construction projects, capitalized borrowing costs for the construction in progress before it has reached the working condition for its intended use and other related expenses during the construction period.

Construction in progress is transferred to fixed assets when it has reached the working condition for its intended use.

Provision for impairment of construction in progress refers to Note III. 19.

15. Intangible assets

The Bank's intangible assets include land use right and software.

Intangible asset is initially measured at cost and its useful life is determined on acquisition. An intangible asset with a finite useful life is amortized by a method which can reflect the expected realization of economic benefits related to the asset since the intangible asset is available for use. When the expected realization of economic benefits cannot be reliably determined, intangible asset is amortized under straight-line method. An intangible asset with an indefinite useful life is not amortized.

Amortization methods of intangible assets with finite useful life are shown as follows:

Categories	Useful life (years)	Amortization method
Land use right	37.75-40	Straight-line method
Software	3-10	Straight-line method

Impairment method of intangible assets refers to Note III. 19.

16. Research and development expenditures

Expenditures on an internal research and development project is classified into expenditures on the research phase and expenditures on the development phase.

Expenditures on the research phase is recorded in profit or loss when incurred.

Expenditures on the development phase is capitalized only when the Bank can satisfy all of the following conditions: it is technical feasible that the intangible asset can be used or sold upon completion; there is intention to complete the intangible asset for use or sale; 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 of the intangible asset, and there is capability to use or sell the intangible asset; the expenses attributable to the development stage of the intangible asset can be measured reliably. Expenditures on the development phase is recorded in profit or loss for the current period if the above conditions are not met.

Research and development projects of the Bank will enter into the development phase when they meet the above conditions and pass the technical feasibility and economic feasibility studies and necessary approval of the project.

Capitalized expenditures 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.

17. Foreclosed Assets

When recovering the impaired loans and receivables, the Bank may acquire ownership of the foreclosed assets through legal procedures or at the borrower's will. If the Bank intends to liquidate and exempts the borrower from repaying loans, foreclosed assets are presented as “Foreclosed Assets”.

When the Bank compensates for losses on loans and advances and accrued interest with foreclosed assets, the financial foreclosed assets are recorded at fair value. The relevant costs, such as taxes and fees payable in respect of the acquisition of a foreclosed asset, the payment of litigation expenses and taxes owed in respect of the acquisition of a foreclosed asset, according to the type of financial asset, should be recorded at the profit and loss of the current period or the initial book value. The initial recognition of non-financial foreclosed assets should be recorded at cost in accordance with the fair value of the abandoning of claims. The relevant costs, such as the relevant taxes, fees, the litigation expenses and the taxes to be paid in order to obtain the foreclosed assets, shall be included in the book value of the foreclosed assets.

When the Bank disposes of the foreclosed asset, if the disposal income is greater than the carrying value of the foreclosed asset, the difference is recorded in non-operating income. If the disposal income is less than the carrying value of the foreclosed asset, the difference is recorded in non-operating expenses. The fees incurred in the disposal is deducted from the disposal income.

Impairment method of foreclosed assets refers to Note III. 19.

18. Long-term deferred expenses

Long-term deferred expenses are recorded at the actual cost, and amortized evenly over the expected benefit period. For the long-term deferred expense that cannot benefit in future accounting period, their amortized value is recognized in profit or loss for the current period.

19. Impairment of other assets

The impairment of subsidiaries, associates and joint ventures in the long-term equity investments, non-financial foreclosed assets, investment property subsequently measured at cost model, fixed assets, construction in progress, and intangible assets are determined as follows:

At each balance sheet date, the Bank determines whether there may be indication of impairment of the assets, if there is any, the Bank will estimate the recoverable amount of the asset, and perform test for impairment.

The recoverable amount of an asset is determined by the higher of the net amount after deducting the disposal costs from the asset's fair value and the present value of the asset's estimated future cash flow. The recoverable amount of asset is estimated on individual basis. If it is not possible to estimate the recoverable amount of the individual asset, the Bank determines the recoverable amount of the asset group to which the asset belongs. The identification of the asset group is based on whether the cash flow generated from the asset group is independent of the major cash inflows from other assets or asset groups.

When the asset or asset group's recoverable amount is lower than its carrying amount, the Bank reduces its carrying amount to its recoverable amount. The reduced amount is recorded in profit or loss for the current period and the provision for impairment of assets are recognized.

Once an impairment loss is recognized, it is not reversed in a subsequent period.

20. Provisions

A provision is recognized as a liability when an obligation related to a contingency satisfied all of the following conditions:

- (1) The obligation is a present obligation of the Bank;
- (2) It is probable that an outflow of economic benefits will be required to settle the obligation;
- (3) The amount of the obligation can be measured reliably.

For off-balance sheet, items including letter of credit and letter of guarantee are taking reference to financial assets on the balance sheet, use expected credit losses model to assess credit risks and recognize provision.

Provisions are initially measured at the best estimate of the payment to settle the associated obligations by considering the relevant risk, uncertainty and time value of money. If the impact of time value of money is significant, the best estimate is determined as its present value of future cash outflow. The Bank reviews the carrying amount of provisions at the balance sheet date and adjusts the carrying amount to reflect the best estimate.

21. Revenue

The Bank recognizes revenue when the relevant economic benefits can flow in and the amount of revenue can be measured reliably.

(1) Interest income

Interest income is recognized according to the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial asset or financial liability and apportioning interest income or interest expense during the relevant period. An effective interest rate is the interest rate used to discount the future cash flows of financial assets and financial liabilities within the estimated period to the net book value of the financial assets or financial liabilities. The Bank considers all contractual terms of financial instruments when estimating future cash flows, but does not consider future credit losses. The calculation includes all transaction fees and premium or discounts attributable to the component under effective interest rate method.

Where a financial asset is impaired, the interest income is recognized based on the interest rate which is the discount rate used in the assessment of impairment loss.

(2) Fee and commission income

Fee and commission income is generally recognized on an accrual basis when relevant services are provided.

The loan commitment fee (and its associated direct costs) associated with the loan that may be granted is deferred and used as an adjustment to the effective interest rate of the loan. When the syndicated loan arrangement has been completed and the Bank does not retain any loans, or only retains part of the loan at the same effective interest rate as other syndicated members, the syndicated loan handling fee is recognized as income.

The Bank's fee income generated from the Bank's solely or participating in providing mergers and acquisitions and securities issuance services to third parties is recognized based on the service contract when the transaction is completed. Asset management and other management consulting, service fees and financial guarantee fees are based on service contract agreements and are usually recognized on a pro-rata basis by installments.

22. Foreign exchange gains or losses

Foreign exchange gains and losses are mainly exchange differences resulted by the Bank's retained foreign currency exposure with exchange rate fluctuations in the market.

23. Basis in recognition of expenditures

Interest expense is recognized in the income statement using the effective interest method.

Other expenses are recognized on the accrual basis.

24. Income tax

Income tax comprises of current tax and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to transactions or items recognized directly in equity and goodwill arising from a business combination.

Temporary differences arising from the difference between the carrying amount of an asset or liability and its tax base, and item not recognized as asset and liability but the temporary difference between the book value and the tax base of that item whose tax base is determined according to the tax law, are recognized as deferred tax using the balance sheet liability method.

All the taxable temporary differences are recognized as deferred tax liabilities except for those incurred in the following transactions:

- (1) Initial recognition of goodwill or initial recognition of an asset or liability in a transaction which is neither a business combination nor affects accounting profit or taxable profit (or deductible loss) when the transaction occurs;
- (2) The taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, and the Bank is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The Bank recognizes a deferred tax asset for the carry forward of deductible temporary differences, deductible losses and tax credits to subsequent periods, to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, deductible losses and tax credits can be utilized, except for those incurred in the following transactions:

- (1) The transaction is neither a business combination nor affects accounting profit or taxable profit (or deductible loss) when the transaction occurs;
- (2) The deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, the corresponding deferred tax asset is recognized when both of the following conditions are satisfied: it is probable that the temporary difference will reverse in the foreseeable future and it is probable that taxable profits will be available in the future against which the temporary difference can be utilized.

At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, and their tax effect is reflected.

At the balance sheet date, the Bank reviews the carrying amount of a deferred tax asset. If it is probable that sufficient taxable profits will not be available in future periods to allow the benefit of the deferred tax asset to be utilized, the carrying amount of the deferred tax asset is reduced. Any such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.

25. Leases

(1) As lessor

In finance leases, at the commencement of the lease, the Bank recognizes minimum lease receipt amount as the recognized amount of finance leases receivable and also recognized the unguaranteed residual value. The difference between the aggregate of the minimum lease receipts and the unguaranteed residual value, and the aggregate of their present value is recognized as unearned finance income. Unrealized finance income is allocated over the lease period by effective interest method and finance income is recognized in profit or loss for the current period.

Income derived from operating leases is recognized in profit or loss using the straight-line method over the lease term. Initial direct costs are charged to profit or loss immediately.

(2) As lessee

The Bank recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is depreciated using the straight-line method. If the lessee is reasonably certain to exercise a purchase option by the end of the lease term, the right-of-use asset is depreciated over the remaining useful lives of the underlying asset. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The Bank determined incremental borrowing rate as the interest rate that a lessee would have to pay to borrow to obtain a similar assets, close to the right-of-use asset, in a similar economic environment with a similar term and under similar mortgage conditions.

A constant periodic rate is used to calculate the interest on the lease liability in each period during the lease term with a corresponding charge to profit or loss or included in the cost of assets where appropriate. Variable lease payments not included in the measurement of the lease liability is charged to profit or loss or included in the cost of assets where appropriate as incurred.

Under the following circumstances after the commencement date, the Bank re-measures lease liabilities based on the present value of revised lease payments:

- there is a change in the amounts expected to be payable under a residual value guarantee;
- there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments;
- there is a change in the assessment of whether the Bank will exercise a purchase, extension or termination option, or there is a change in the exercise of the extension or termination option.

When the lease liability is re-measured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Bank has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Bank recognizes the lease payments associated with these leases in profit or loss or as the cost of the assets where appropriate using the straight-line method over the lease term.

26. Employee benefits

Employee benefits are all forms of consideration given and other relevant expenditures incurred by the Bank in exchange for service rendered by employees. In the accounting period in which an employee has rendered services, the Bank recognizes the employee benefits payable for those services as a liability, and recognizes relevant asset or expense for the current period.

(Note: The actual amount of wages, bonuses and subsidies accrued by the Bank in 2023 is RMB1.776 billion.)

(1) Social welfare

According to related regulations, the Bank adopts the social welfare policy for government sponsored institutions. Employees of the headquarters of the Bank are enrolled in medical insurance schemes, unemployment insurance schemes and employment injury insurance schemes. Some branches are enrolled in local social welfare schemes according to the local policies. Expenditures related to payments for employees' social welfare is included in profit or loss for the period in which they are incurred.

(2) Retirement benefits

According to the regulations issued by the regulatory authority, expenditures related to pension and benefits for retired employees is included in profit or loss for the period in which it is incurred.

(3) Housing funds and subsidy

Pursuant to related regulations, all employees of the Bank participate in various local housing funds schemes administered by local governments. The Bank contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees. These payments are recognized in profit or loss for the period in which they are incurred.

The Bank provides housing allowance to the employees applicable. Housing allowance is recognized in profit or loss for the period in which they are disbursed.

27. Fiduciary business

The Bank acts as a custodian, trustee or agent in fiduciary activities. The assets held for fiduciary activities and commitments to return the assets to the clients are not included in the balance sheet of the Bank, and risks and rewards of these assets are the responsibility of the customers.

Entrusted loans are loans funded by the mandator, and the Bank grants loans to borrowers at the direction of the mandator with regard to the borrower, purpose, amounts, term, interest rates, and etc. The Bank is entrusted to make payment to the borrower, supervise the use of the loans and assist in collecting these loans. The mandator bears the risk. The Bank charges a commission related to the entrusted loans, and neither presents the entrusted loans in the balance sheet nor accrues impairment provision for the loans.

28. Government grants

Government grants are classified as asset-related and income-related.

- i. asset-related government grants are recognised by the Group as deferred income, and are apportioned to profit or loss in a reasonable and systematic manner over the useful life of the relevant assets; If the relevant assets are sold, transferred, scrapped or damaged before the end of their useful life, the balance of the relevant deferred income that has not yet been distributed shall be transferred to current gains of the assets disposal.
- ii. Income-related government grants are used to compensate the relevant costs or losses of in subsequent periods. It is recognised as deferred income by the Group, and are recognised as gains or compensates the relevant costs and losses at the period when the relevant costs or losses occur;

Government grants are recognized as other income, which is related to daily activities; Government grants are recognized as non-operating income, which is regardless of daily activities.

IV. Significant accounting judgments and estimates

The Bank makes continuous evaluation on significant accounting estimates and key assumptions based on historical experience and other factors, including reasonableness of estimation about future events. The followings are the significant accounting estimations and key assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year. When there is significant variance between the reality and the following accounting estimates and judgments, the Bank shall make reasonable adjustment according to the facts.

1. The measurement of the expected credit loss

The measurement of the expected credit loss allowance for financial assets measured at amortized cost and FVOCI and with exposure arising from loan commitments and financial guarantee contracts, is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (the likelihood of customers defaulting and the resulting losses).

2. Fair value of financial instruments

The Bank establishes fair value of financial instruments with reference to a quoted market price in an active market or, if there is no active market, using valuation techniques. These valuation techniques include using recent arm's length transactions, observable prices for similar instruments, discounted cash flow analysis using risk-adjusted interest rates, and commonly used market pricing models. Valuation models applied to determine fair value of derivatives and other financial instruments use observable market inputs and data including, for example, interest rate yield curves and foreign currency rates. The results of using valuation techniques are calibrated against industry practice and observable current market transactions in the same or similar instruments.

The Bank revises the valuation scope according to the operational strategy and risk management policies. Valuation techniques and models are updated in accordance with the establishment and improvement of risk quantification and assessment system.

3. Income tax

In the course of general business, income tax recognition involves judgment on future tax treatment, and, the final tax treatment is uncertain. The Bank assesses the tax effect of all transactions prudentially and calculates relevant income tax. The Bank has taken into consideration the existing tax legislation and the judgment of past practice made by government institutions, to decide whether impairment loss shall deduct taxable income. If the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will be determined as the income tax and deferred income tax for the period.

The Bank recognizes deferred tax assets in accordance with deductible temporary differences and deductible losses. The Bank assesses the judgment on deferred income tax continuously, and recognizes deferred tax assets to the extent that it is probable that taxable profits will be available in the future.

V. Taxation

1. Major taxes and tax rates

Taxes	Tax basis	Tax rate
Value-added tax	Taxable revenue	6%
Urban maintenance and construction tax	Turnover tax payable	7%
Education surcharge	Turnover tax payable	3%
Local education surcharge	Turnover tax payable	1-2%
Enterprise income tax	Taxable income	25%

2. Tax policies

- (1) According to the provisions of Guoshuihan [2010] No. 184, the Bank's enterprise income tax is uniformly paid by the head office. The enterprise income tax of overseas entities of the Bank is subject to the local tax rate.
- (2) According to the relevant documents of the Ministry of Finance and the State Administration of Taxation on "Notice about several policies on the Reform of Value-added Tax for Business Taxes" (Cai Shui [2016] No. 36), as of May 1, 2016, the Bank's interest income, income from transfer of financial commodities etc. are subject to value-added tax with a rate of 6%.
- (3) The relevant taxes of the Hong Kong subsidiaries of the Bank, EIBC Holdings Limited, CEEF Holdings Limited and CLACF Holdings Limited are subject to the local tax rate in accordance with the local tax regulations.

VI. Related Parties

1. Recognition criteria for related parties

If one party controls, jointly controls or exerts significant influence on the other party, and two or more parties are controlled, jointly controlled or significantly influenced by one party, they constitute related parties.

2. Shareholders of the Bank

(1) Buttonwood Investment Holding Company Ltd

Buttonwood Investment Holding Company Ltd. ('Buttonwood') is a wholly owned subsidiary of the State Administration of Foreign Exchange of China. Its principal activities are domestic and overseas investments in project, equity, debt, loan and fund, fiduciary management and investment management. (For projects subject to approval in accordance with the law, business activities can only be carried out after approval by relevant departments.)

As at 31 December 2022 and 2023, Buttonwood owned 89.26% of the issued share capital of the Bank.

Transactions with Buttonwood and transactions with entities controlled or joint controlled by Buttonwood are carried out in the Group's ordinary course of business under normal commercial terms.

(2) The Ministry of Finance

The Ministry of Finance ('Buttonwood') is a ministry under the State Council of the PRC. As at 31 December 2022 and 2023, the MOF directly owned 10.74% of the issued share capital of the Bank.

3. Basic information of the Bank's major associates and joint ventures

Companies	Place of Registration	Nature of Business	Paid-in capital	Proportion of voting rights (%)
Chengdu Yinke Venture Capital Co., Ltd.	Chengdu	Investment management	RMB230 million	50.00
China-Japan Energy Conservation and Environmental Protection Venture Capital Management Co., Ltd.	Hangzhou	Investment management	RMB129 million	55.00
China-Japan Energy Conservation and Environmental Protection Venture Capital Co., Ltd.	Hangzhou	Investment management	RMB429 million	16.50
Dandong Port Group Co., Ltd	Dandong	Port services	RMB28.6 billion	18.60
Chongqing Export-Import Credit Guarantee Co., Ltd.	Chongqing	Guarantee	RMB3 billion	40.00
Northeast China Small and Medium-Sized Enterprises Financing Re-Guarantee Co., Ltd.	Changchun	Guarantee	RMB3.05 billion	29.49

4. Basic information of the Bank's subsidiaries

Companies	Place of Registration	Nature of Business	Paid-in capital	Proportion of voting rights (%)
CLACF Holdings Limited	Hong Kong	Investment management	USD476 million	100
CEEF Holdings Limited	Hong Kong	Investment management	USD277 million	100
Shanghai Shengying Real Estate Co., Ltd.	Shanghai	Construction/Properties	RMB212 million	100
EIBC Holdings Limited	Hong Kong	Investment management	USD3.35 million	100
Jinyin Infrastructure Fund Co., Ltd.	Beijing	Investment management	RMB5 billion	100

VII. Commitments and contingencies

1. Legal proceedings

As at 31 December 2023 and 2022, the Bank had certain legal proceedings matters. The management of the Bank considers that the final outcome of these legal proceedings will not have a material impact on the financial position or results of operations of the Group and the Bank.

2. Capital commitments

Capital commitments entered into but not recognized in the financial statements	The Bank	
	31 December 2023	31 December 2022
External investment commitments	55,947	55,405

3. Credit commitments

	The Bank	
	31 December 2023	31 December 2022
Issued letters of guarantee	277,956	247,518
Irrevocable loan commitments	220,979	241,652
Issued letters of credit	73,755	68,207
Bank acceptance bills	20,440	18,442
Total	593,130	575,819

AUDITOR'S REPORT

[English Translation for Reference Only]
Baker Tilly China [2023] No. 18794

All shareholders of the Export-Import Bank of China:

I. Opinion

We have audited the financial statements of The Export-Import Bank of China (hereinafter "the Bank"), which comprise the consolidated and the Bank's balance sheets as at December 31, 2022, and the consolidated and the Bank's income statements, consolidated and the Bank's cash flow statements and consolidated and the Bank's statements of changes in owner's equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and the Bank's financial positions as at December 31, 2022, and their financial performance and their cash flows for the year then ended in accordance with the requirements of Accounting Standards for Business Enterprises.

II. Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank and have fulfilled our other ethical responsibilities in accordance with the China Code of Ethics for Certified Public Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management of the Bank is responsible for the preparation of the financial statements to achieve fair presentation in accordance with Accounting Standards for Business Enterprises, and for the design, implementation and maintenance of such internal control as management determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

IV. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (4) Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, the auditing standards require us to draw attention to users of the financial statements in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- (5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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This report, the accompanying financial statements and notes to the financial statements are English translation of the Chinese version of the Bank. This translation is not required by law or any regulation. This material was prepared solely for the information of management of the Bank. The accuracy or completeness of this translation is not guaranteed. In the event of any inconsistency between this English translation and the Chinese version, the Chinese version shall prevail.

Consolidated and The Bank's Balance Sheet As at December 31, 2022

Prepared by: The Export-Import Bank of China

Unit: In thousands of RMB

Items	Consolidated		The Bank	
	2022/12/31	2021/12/31	2022/12/31	2021/12/31
ASSETS:				
Cash and deposits with central bank	42,551,557.77	17,593,189.60	42,551,555.54	17,593,187.38
Precious metals	—	—	—	—
Deposits with banks and other financial institutions	16,134,974.06	279,422,691.24	13,173,742.56	278,407,018.90
Interbank lending	207,081,159.30	213,407,352.53	207,081,159.30	213,407,352.53
Derivative financial assets	2,098,949.69	14,865,441.58	2,098,949.69	14,865,441.58
Financial assets purchased under resale agreements	127,788,963.58	86,158,471.10	127,788,963.58	86,158,471.10
Assets held for sale	—	—	—	—
Loans and advances	4,912,935,848.50	4,334,891,109.78	4,913,994,864.15	4,338,059,977.29
Financial investments:	—	—	—	—
Financial assets held for trading	129,491,462.05	141,125,638.98	121,129,457.64	130,059,508.86
Debt investments	230,559,820.99	85,611,537.80	162,602,115.88	85,611,537.80
Other debt investments	207,158,327.76	220,457,184.57	207,158,327.76	220,457,184.57
Investments in other equity instruments	—	—	—	—
Long-term equity investments	7,773,240.40	8,575,000.83	81,383,542.40	13,026,552.39
Investment properties	421,352.21	386,744.87	421,352.21	386,744.87
Fixed assets	3,594,386.82	3,990,431.70	3,056,723.92	3,435,409.13
Construction in progress	14,943.37	—	14,943.37	—
Intangible assets	1,105,024.70	241,556.82	1,104,699.15	240,928.27
Goodwill	—	—	—	—
Right-of-use asset	1,432,134.54	745,722.33	1,391,672.19	711,796.47
Deferred income tax assets and liabilities	42,892,479.62	33,729,275.92	42,762,748.48	33,726,455.10
Other assets	3,982,446.39	5,382,070.86	3,861,829.04	5,142,766.83
TOTAL ASSETS	5,937,017,071.75	5,446,583,420.51	5,931,576,646.86	5,441,290,333.07

Prepared by: The Export-Import Bank of China

Unit: In thousands of RMB

Items	Consolidated		The Bank	
	2022/12/31	2021/12/31	2022/12/31	2021/12/31
Liabilities:				
Borrowings from central bank	250,253,388.53	216,686,985.38	250,253,388.53	216,686,985.38
Due to banks and other financial institutions	159,643,202.07	408,061,721.35	159,643,202.07	408,061,721.35
Interbank borrowings	52,712,136.84	53,694,709.88	52,712,136.84	53,694,709.88
Financial liabilities held for trading	477,487.10	426,493.86	—	—
Derivative financial liabilities	42,580,391.11	1,999,564.08	42,580,391.11	1,999,564.08
Financial assets sold under repurchase agreements	9,494,645.75	29,388,004.19	9,494,645.75	29,388,004.19
Due to customers	203,017,027.66	169,404,437.54	203,551,271.57	169,404,437.54
Employee benefits payable	241,924.29	176,706.67	226,660.72	165,277.44
Taxes payable	17,507,586.08	2,505,993.29	17,333,005.09	2,500,299.48
Liabilities held for sale	—	—	—	—
Provisions	3,189,344.50	3,463,693.37	3,189,344.50	3,463,693.37
Debt securities issued	4,792,345,710.21	4,153,155,170.26	4,792,345,710.21	4,153,155,170.26
Leases liabilities	1,320,536.17	625,667.69	1,283,521.26	593,806.67
Deferred income tax liabilities	1,505,771.80	5,360,133.22	1,505,771.80	5,360,133.22
Other liabilities	16,873,540.66	21,154,322.34	16,093,596.69	20,460,082.47
Total Liabilities	5,551,162,692.75	5,066,103,603.12	5,550,212,646.13	5,064,933,885.34
Owner's equity:	—	—	—	—
Paid-in capital	150,000,000.00	150,000,000.00	150,000,000.00	150,000,000.00
Other equity instruments	59,876,160.00	59,876,160.00	59,876,160.00	59,876,160.00
Including: Preferred stock	—	—	—	—
Perpetual debt	59,876,160.00	59,876,160.00	59,876,160.00	59,876,160.00
Capital reserves	141,506,518.45	141,506,518.45	141,506,518.45	141,506,518.45
Less: Treasury stock	—	—	—	—
Other comprehensive income	347,837.08	432,639.10	158,267.82	1,017,061.89
Surplus reserves	1,310,773.93	503,723.95	1,306,358.65	503,723.95
General risk reserves	18,919,467.93	18,919,467.93	18,919,467.93	18,919,467.93
Undistributed profits	11,554,783.67	6,449,585.74	9,597,227.87	4,533,515.51
Total owners' equity attributable to the parent company	383,515,541.07	377,688,095.17	381,364,000.73	376,356,447.73
Minority interests	2,338,837.92	2,791,722.22	—	—
Total Owners' Equity	385,854,378.99	380,479,817.39	381,364,000.73	376,356,447.73
Total Liabilities and Owners' Equity	5,937,017,071.75	5,446,583,420.51	5,931,576,646.86	5,441,290,333.07

Consolidated and the Bank's Income Statements

For the year ended December 31, 2022

Prepared by: The Export-Import Bank of China

Unit: In thousands of RMB

Items	Consolidated 2022	2021	The Bank 2022	2021
I. Operating revenue	31,515,472.24	25,854,018.16	30,751,721.16	24,250,882.57
(1) Net interest income	19,791,125.93	6,843,144.38	19,298,849.58	6,876,195.62
Interest income	173,432,734.89	153,369,998.79	172,942,919.33	153,403,050.03
Interest expenses	153,641,608.96	146,526,854.41	153,644,069.75	146,526,854.41
(2) Net fee and commission income	2,518,447.70	3,470,894.42	2,518,556.43	3,470,894.42
Fee and commission income	3,402,197.64	4,271,220.76	3,402,197.95	4,271,220.76
Fee and commission expenses	883,749.94	800,326.34	883,641.52	800,326.34
(3) Investment income ("-" for loss)	15,876,141.20	6,912,306.00	12,322,278.26	5,987,820.23
Including: Investment income from associates and joint ventures	10,444.69	196,912.36	-164,514.54	-12,966.93
Net gains on derecognition of debt instruments at amortized cost ("-" for loss)	1,656,277.10	1,411,845.52	1,656,277.10	1,411,845.52
(4) Net exposure hedging income ("-" for loss)	-	-	-	-
(5) Other gains	79,411.33	55,485.28	29,411.33	53,680.99
(6) Gains from changes in fair value ("-" for loss)	-57,539,357.87	-9,547,465.30	-54,205,543.16	-10,257,955.28
(7) Exchange gains ("-" for loss)	50,743,957.28	18,101,834.67	50,742,531.79	18,102,520.63
(8) Other operating income	48,217.27	41,520.64	48,107.53	41,427.91
(9) Gain from disposal of assets ("-" for loss)	-2,470.60	-23,701.94	-2,470.60	-23,701.94
II. Operating expenses	20,281,268.52	15,178,857.33	19,568,791.20	14,961,058.17
(1) Taxes and surcharges	1,302,782.63	1,043,438.11	1,294,820.20	1,042,535.96
(2) Business and administrative expenses	4,558,810.70	4,174,903.30	4,376,237.52	3,981,773.30
(3) Credit impairment losses ("-" for loss)	14,366,620.55	9,671,157.77	13,844,678.84	9,647,390.75
(4) Other assets impairment losses ("-" for loss)	18,247.25	268,561.95	18,247.25	268,561.95
(5) Other operating expenses	34,807.39	20,796.21	34,807.39	20,796.21
III. Operating Profit ("-" for loss)	11,234,203.72	10,675,160.83	11,182,929.96	9,289,824.40
Add: Non-operating income	18,091.50	53,645.64	18,091.50	53,645.64
Less: Non-operating expenses	377,384.07	185,817.18	377,384.07	185,817.18
IV. Total Profit ("-" for loss)	10,874,911.15	10,542,989.29	10,823,637.39	9,157,652.87
Less: Income tax expenses	2,815,060.95	2,737,890.35	2,797,290.32	2,729,659.12
V. Net profit ("-" for loss)	8,059,850.20	7,805,098.94	8,026,347.07	6,427,993.75
Net profit attributable to owners of the parent company	8,072,247.92	7,560,246.64	8,026,347.07	6,427,993.75
Net profit attributable to minority interests	-12,397.71	244,852.30	-	-

Prepared by: The Export-Import Bank of China

Unit: In thousands of RMB

Items	Consolidated 2022	2021	The Bank 2022	2021
VI. Other comprehensive income – after tax	-85,203.07	185,488.22	-858,794.07	383,557.75
Other comprehensive income – after tax attributable to owners of the parent company	-84,802.02	185,499.27	-858,794.07	383,557.75
(1) Other comprehensive income not reclassified into profit or loss subsequently	–	–	–	–
i. Other comprehensive income of the investee accounted for using equity method which will be not reclassified into profit or loss subsequently	–	–	–	–
(2) Other comprehensive income that will be reclassified into profit or loss subsequently	-84,802.02	185,499.27	-858,794.07	383,557.75
i. Other comprehensive income of the investee accounted for using equity method which will be reclassified into profit or loss subsequently	–	-48,793.79	–	-48,793.79
ii. Changes in fair value of debt instruments measured at fair value through other comprehensive income	-821,542.43	386,922.55	-821,542.43	386,922.55
iii. Credit losses of debt instruments measured at fair value through other comprehensive income	-19,676.71	21,468.31	-19,676.71	21,468.31
iv. Translation differences arising on translation of foreign currency financial statements	756,417.12	-174,097.81	-17,574.94	23,960.67
Other comprehensive income – after tax attributable to minority interests	-401.06	-11.06	–	–
VII. Total comprehensive income	7,974,647.13	7,990,587.16	7,167,553.00	6,811,551.49
(1) Total comprehensive income attributable to owners of the parent company	7,987,445.90	7,745,745.91	7,167,553.00	6,811,551.49
(2) Total comprehensive income attributable to minority interests	-12,798.77	244,841.25	–	–

Consolidated and the Bank's Cash Flow Statements

For the year ended December 31, 2022

Prepared by: The Export-Import Bank of China

Unit: In thousands of RMB

Items	Consolidated		The Bank	
	2022	2021	2022	2021
I. Cash flows from operating activities				
Net decrease in balances with central banks and deposits with banks and other financial institutions	257,629,246.50	69,925,865.01	257,629,246.50	69,925,865.01
Net increase in borrowings from central bank	33,523,000.00	—	33,523,000.00	—
Cash received from interest, fee and commission	174,156,060.44	160,113,473.70	174,259,407.84	160,049,783.04
Net increase in repurchase agreements	—	21,860,000.00	—	21,860,000.00
Net decrease in financial assets held for trading purposes	13,388,031.81	—	10,780,719.85	—
Other cash received relating to operating activities	70,990,748.07	16,765,586.25	70,387,621.55	16,720,749.18
Sub-total of cash inflows from operating activities	549,687,086.82	268,664,924.97	546,579,995.75	268,556,397.23
Net decrease in due to customers and deposits with banks	215,907,148.58	44,150,392.24	215,372,953.64	44,150,392.24
Net increase in loans and advances to customers	595,816,460.44	391,771,023.43	593,786,188.81	390,989,820.95
Net decrease in due to central banks	—	77,906,000.00	—	77,906,000.00
Net increase in financial assets held for trading	—	16,581,105.09	—	16,950,156.91
Net decrease in interbank borrowings	1,138,085.22	13,347,933.93	1,138,085.22	13,347,933.93
Net increase in interbank lending	29,341,541.00	25,282,166.13	29,341,541.00	25,282,166.13
Net increase in reverse repurchase agreements	25,630.40	16,510.73	25,630.40	16,510.73
Net decrease in repurchase business funds	19,890,000.00	—	19,890,000.00	—
Cash paid for interest, fee and commission	11,555,605.40	15,244,384.07	11,557,902.31	15,244,384.07
Cash paid to and on behalf of employees	2,596,712.98	2,030,201.70	2,555,964.23	1,993,175.03
Payments of all types of taxes	12,409,104.49	11,297,535.87	12,395,965.88	11,289,398.98
Other cash paid relating to operating activities	93,914.32	1,219,804.58	156,481.15	1,643,044.85
Sub-total of cash outflows from operating activities	888,774,202.85	598,847,057.76	886,220,712.64	598,812,983.82
Net cash flows from operating activities	-339,087,116.03	-330,182,132.79	-339,640,716.90	-330,256,586.58
II. Cash flows from investing activities	—	—	—	—
Cash received from disposal of investments	148,905,182.06	207,377,245.23	148,710,325.82	207,419,242.91
Proceeds from disposal of properties, equipments and other assets	11,934.11	8,554.04	11,695.57	8,554.04
Cash received from returns on investments	13,094,886.22	12,507,035.85	12,471,654.01	11,679,886.36
Other cash received relating to investing activities	—	—	—	—
Sub-total of cash inflows from investing activities	162,012,002.39	219,892,835.13	161,193,675.40	219,107,683.31
Cash paid to investments	279,376,671.69	229,204,093.95	280,140,953.96	229,405,983.89
Cash paid to acquire fixed assets, intangible assets and other long-term assets	1,022,144.49	309,918.04	1,021,952.67	309,213.77
Other cash paid relating to investing activities	—	—	—	—
Sub-total of cash outflows from investing activities	280,398,816.18	229,514,011.99	281,162,906.64	229,715,197.66
Net cash flows from investing activities	-118,386,813.78	-9,621,176.86	-119,969,231.24	-10,607,514.35

Prepared by: The Export-Import Bank of China

Unit: In thousands of RMB

Items	Consolidated		The Bank	
	2022	2021	2022	2021
III. Cash flows from financing activities	—	—	—	—
Cash received from capital contribution	401,526.13	107,168.48	—	—
Including: Cash received from investments by minority interests of subsidiaries	—	107,168.48	—	—
Cash received from debt securities issued	1,677,171,932.38	1,411,860,777.71	1,677,171,932.38	1,411,860,777.71
Cash received relating to other financing activities	—	—	—	—
Sub-total of cash inflows from financing activities	1,677,573,458.51	1,411,967,946.19	1,677,171,932.38	1,411,860,777.71
Cash repayments of amounts borrowed	1,044,604,007.50	884,440,598.57	1,044,604,007.50	884,440,598.57
Cash payments for interest expenses and distribution of dividends or profits	148,806,847.62	138,519,196.23	147,977,633.69	137,938,379.00
Including: Dividend paid to minority interests of subsidiaries	—	580,817.23	—	—
Other cash payments relating to financing activities	652,210.57	651,742.87	639,069.71	616,068.68
Including: Cash paid to minority interests in capital reduction of subsidiaries	—	—	—	—
Sub-total of cash outflows from financing activities	1,194,063,065.69	1,023,611,537.67	1,193,220,710.90	1,022,995,046.25
Net cash flows from financing activities	483,510,392.82	388,356,408.52	483,951,221.48	388,865,731.46
IV. Effect of foreign exchange rate changes on cash	1,624,671.99	-1,589,895.60	1,374,302.47	-1,579,033.00
V. Net increase in cash and cash equivalents	27,661,134.99	46,963,203.26	25,715,575.82	46,422,597.53
Add: Opening balance of cash and cash equivalents	191,425,568.37	144,462,365.10	190,409,893.81	143,987,296.29
VI. Closing balance of cash and cash equivalents	219,086,703.36	191,425,568.37	216,125,469.63	190,409,893.81

Consolidated Statement of Changes in Owner's Equity

For the year ended December 31, 2022

Prepared by: The Export-Import Bank of China

Items	Paid-in capital	Other equity instruments	Capital reserves	Less: Treasury stock
I. Balance at end of previous year	150,000,000.00	59,876,160.00	141,506,518.45	—
Add: Changes in accounting policies	—	—	—	—
Correction of errors	—	—	—	—
Business combination under common control	—	—	—	—
Others	—	—	—	—
II. Balance in beginning of year	150,000,000.00	59,876,160.00	141,506,518.45	—
III. Movements over the year ("—" for decrease)	—	—	—	—
(I) Total comprehensive income for the year	—	—	—	—
(II) Owner's contributions and decreases of capital	—	—	—	—
1. Common shares by the owners	—	—	—	—
2. Contributions from the holders of other equity instruments	—	—	—	—
3. Increase in owner's equity resulted from share-based payments	—	—	—	—
4. Others	—	—	—	—
(III) Appropriation of profits	—	—	—	—
1. Appropriation to surplus reserves	—	—	—	—
2. Transfer to general risk reserves	—	—	—	—
3. Distributions to owners	—	—	—	—
4. Distributions to the holders of other equity instruments	—	—	—	—
5. Others	—	—	—	—
(IV) Transfer within equity	—	—	—	—
1. Capital reserves converting into share capital	—	—	—	—
2. Surplus reserves converting into share capital	—	—	—	—
3. Surplus reserves cover the deficit	—	—	—	—
4. General risk reserves cover the deficit	—	—	—	—
5. Others	—	—	—	—
IV. Balance at end of year	150,000,000.00	59,876,160.00	141,506,518.45	—

Unit: In thousands of RMB

2022						
Attributable to owners of the parent company						
Other comprehensive income	Surplus reserves	General risk reserves	Undistributed profits	Minority interests	Total owner's equity	
432,639.10	503,723.95	18,919,467.93	6,449,585.74	2,791,722.22	380,479,817.39	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
432,639.10	503,723.95	18,919,467.93	6,449,585.74	2,791,722.22	380,479,817.39	
-84,802.02	807,049.98	-	5,105,197.93	-452,884.29	5,374,561.61	
-84,802.02	-	-	8,072,247.92	-12,798.77	7,974,647.13	
-	-	-	-	401,526.13	401,526.13	
-	-	-	-	401,526.13	401,526.13	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	807,049.98	-	-2,967,049.98	-841,611.65	-3,001,611.65	
-	807,049.98	-	-807,049.98	-	-	
-	-	-	-	-	-	
-	-	-	-	-841,611.65	-841,611.65	
-	-	-	-2,160,000.00	-	-2,160,000.00	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
347,837.08	1,310,773.93	18,919,467.93	11,554,783.67	2,338,837.92	385,854,378.99	

Consolidated Statement of Changes in Owner's Equity (continued)

For the year ended December 31, 2022

Prepared by: The Export-Import Bank of China

Items				
	Paid-in capital	Other equity instruments	Capital reserves	Less: Treasury stock
I. Balance at end of previous year	150,000,000.00	—	141,506,518.45	—
Add: Changes in accounting policies	—	—	—	—
Correction of errors	—	—	—	—
Business combination under common control	—	—	—	—
Others	—	—	—	—
II. Balance in beginning of year	150,000,000.00	—	141,506,518.45	—
III. Movements over the year ("—" for decrease)	—	59,876,160.00	—	—
(I) Total comprehensive income for the year	—	—	—	—
(II) Owner's contributions and decreases of capital	—	59,876,160.00	—	—
1. Common shares by the owners	—	—	—	—
2. Contributions from the holders of other equity instruments	—	59,876,160.00	—	—
3. Increase in owner's equity resulted from share-based payments	—	—	—	—
4. Others	—	—	—	—
(III) Appropriation of profits	—	—	—	—
1. Appropriation to surplus reserves	—	—	—	—
2. Transfer to general risk reserves	—	—	—	—
3. Distributions to owners	—	—	—	—
4. Distributions to the holders of other equity instruments	—	—	—	—
5. Others	—	—	—	—
(IV) Transfer within equity	—	—	—	—
1. Capital reserves converting into share capital	—	—	—	—
2. Surplus reserves converting into share capital	—	—	—	—
3. Surplus reserves cover the deficit	—	—	—	—
4. General risk reserves cover the deficit	—	—	—	—
5. Others	—	—	—	—
IV. Balance at end of year	150,000,000.00	59,876,160.00	141,506,518.45	—

Unit: In thousands of RMB

2021						
Attributable to owners of the parent company						
Other comprehensive income	Surplus reserves	General risk reserves	Undistributed profits	Minority interests	Total owner's equity	
-47,526.55	2,159,584.83	18,919,467.93	4,128,757.83	2,775,677.42	319,442,479.91	
294,666.38	—	—	-6,895,279.62	—	-6,600,613.24	
—	—	—	—	—	—	
—	—	—	—	—	—	
—	-2,159,584.83	—	2,159,584.83	—	—	
247,139.83	—	18,919,467.93	-606,936.95	2,775,677.42	312,841,866.68	
185,499.27	503,723.95	—	7,056,522.69	16,044.80	67,637,950.71	
185,499.27	—	—	7,560,246.64	244,841.25	7,990,587.16	
—	—	—	—	107,168.48	59,983,328.48	
—	—	—	—	107,168.48	107,168.48	
—	—	—	—	—	59,876,160.00	
—	—	—	—	—	—	
—	—	—	—	—	—	
—	503,723.95	—	-503,723.95	-335,964.93	-335,964.93	
—	503,723.95	—	-503,723.95	—	—	
—	—	—	—	—	—	
—	—	—	—	-335,964.93	-335,964.93	
—	—	—	—	—	—	
—	—	—	—	—	—	
—	—	—	—	—	—	
—	—	—	—	—	—	
—	—	—	—	—	—	
—	—	—	—	—	—	
—	—	—	—	—	—	
432,639.10	503,723.95	18,919,467.93	6,449,585.74	2,791,722.22	380,479,817.39	

Statement of Changes in Owner's Equity

For the year ended December 31, 2022

Prepared by: The Export-Import Bank of China

Items	Paid-in capital	Other equity instruments	Capital reserves
I. Balance at the end of previous year	150,000,000.00	59,876,160.00	141,506,518.45
Add: Changes in accounting policies	0.00	0.00	0.00
Correction of errors	0.00	0.00	0.00
Others	0.00	0.00	0.00
II. Balance in beginning of year	150,000,000.00	59,876,160.00	141,506,518.45
III. Movements over the year ("–" for decrease)	0.00	0.00	0.00
(I) Total comprehensive income for the year	0.00	0.00	0.00
(II) Owner's contributions and decreases of capital	0.00	0.00	0.00
1. Common shares by the owners	0.00	0.00	0.00
2. Contributions from the holders of other equity instruments	0.00	0.00	0.00
3. Increase in owner's equity resulted from share-based payments	0.00	0.00	0.00
4. Others	0.00	0.00	0.00
(III) Appropriation of profits	0.00	0.00	0.00
1. Appropriation to surplus reserves	0.00	0.00	0.00
2. Transfer to general risk reserves	0.00	0.00	0.00
3. Distributions to owners	0.00	0.00	0.00
4. Distributions to the holders of other equity instruments	0.00	0.00	0.00
5. Others	0.00	0.00	0.00
(IV) Transfer within equity	0.00	0.00	0.00
1. Capital reserves converting into share capital	0.00	0.00	0.00
2. Surplus reserves converting into share capital	0.00	0.00	0.00
3. Surplus reserves cover the deficit	0.00	0.00	0.00
4. General risk reserves cover the deficit	0.00	0.00	0.00
5. Others	0.00	0.00	0.00
IV. Balance at end of year	150,000,000.00	59,876,160.00	141,506,518.45

Unit: In thousands of RMB

2022						
Other comprehensive						
Less: Treasury stock	income	Surplus reserves	General risk reserves	Undistributed profits	Total owner's equity	
0.00	1,017,061.89	503,723.95	18,919,467.93	4,533,515.51	376,356,447.73	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	1,017,061.89	503,723.95	18,919,467.93	4,533,515.51	376,356,447.73	
0.00	-858,794.07	802,634.71	0.00	5,063,712.36	5,007,553.00	
0.00	-858,794.07	0.00	0.00	8,026,347.07	7,167,553.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	802,634.71	0.00	-2,962,634.71	-2,160,000.00	
0.00	0.00	802,634.71	0.00	-802,634.71	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	-2,160,000.00	-2,160,000.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	
0.00	158,267.82	1,306,358.65	18,919,467.93	9,597,227.87	381,364,000.73	

Statement of Changes in Owner's Equity (continued)

For the year ended December 31, 2022

Prepared by: The Export-Import Bank of China

Items	Paid-in capital	Other equity instruments	Capital reserves
I. Balance at the end of previous year	150,000,000.00	—	141,506,518.45
Add: Changes in accounting policies	—	—	—
Correction of errors	—	—	—
Others	—	—	—
II. Balance in beginning of year	150,000,000.00	—	141,506,518.45
III. Movements over the year ("—" for decrease)	—	59,876,160.00	—
(I) Total comprehensive income for the year	—	—	—
(II) Owner's contributions and decreases of capital	—	59,876,160.00	—
1. Common shares by the owners	—	—	—
2. Contributions from the holders of other equity instruments	—	59,876,160.00	—
3. Increase in owner's equity resulted from share-based payments	—	—	—
4. Others	—	—	—
(III) Appropriation of profits	—	—	—
1. Appropriation to surplus reserves	—	—	—
2. Transfer to general risk reserves	—	—	—
3. Distributions to owners	—	—	—
4. Distributions to the holders of other equity instruments	—	—	—
5. Others	—	—	—
(IV) Transfer within equity	—	—	—
1. Capital reserves converting into share capital	—	—	—
2. Surplus reserves converting into share capital	—	—	—
3. Surplus reserves cover the deficit	—	—	—
4. General risk reserves cover the deficit	—	—	—
5. Others	—	—	—
IV. Balance at end of year	150,000,000.00	59,876,160.00	141,506,518.45

Unit: In thousands of RMB

2021					
Less: Treasury stock	Other comprehensive income	Surplus reserves	General risk reserves	Undistributed profits	Total owner's equity
—	338,837.77	2,159,584.83	18,919,467.93	3,335,638.73	316,260,047.72
—	294,666.38	—	—	-6,885,977.86	-6,591,311.48
—	—	—	—	—	—
—	—	-2,159,584.83	—	2,159,584.83	—
—	633,504.15	—	18,919,467.93	-1,390,754.30	309,668,736.24
—	383,557.75	503,723.95	—	5,924,269.80	66,687,711.49
—	383,557.75	—	—	6,427,993.75	6,811,551.49
—	—	—	—	—	59,876,160.00
—	—	—	—	—	—
—	—	—	—	—	59,876,160.00
—	—	—	—	—	—
—	—	—	—	—	—
—	—	503,723.95	—	-503,723.95	—
—	—	503,723.95	—	-503,723.95	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	1,017,061.89	503,723.95	18,919,467.93	4,533,515.51	376,356,447.73

I. Basis of preparation

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and guidelines, interpretations and other related provisions (collectively "Accounting Standards for Business Enterprises").

The financial statements have been prepared on going concern basis.

The Bank adopts the accrual basis of accounting.

Besides of applying the Accounting Standards for Business Enterprises, the Bank also adopted the following specific accounting policies:

1. Re-lending business on loans from foreign governments

Re-lending loans from foreign governments refers to concessional loans borrowed from foreign governments by Chinese Ministry of Finance in the name of Chinese Government. The Bank is entrusted to lend the loans to domestic borrowers and is responsible for the offering and collecting of the principal and interest of loan, as well as repayment to borrower, etc.

The re-lending projects could be classified into three types in accordance with different repayment obligations:

Type One: Projects that the borrower is either a local provincial department of finance or a relevant department of the State Council, who is responsible for the loan repayment.

Type Two: Projects that the borrower is a company and responsible for loan repayment, where the local provincial department of finance or relevant department of the State Council provides repayment guarantee for it.

Type Three: Projects that the borrower is a company and responsible for loan repayment, where the local provincial department of finance or relevant department of the State Council does not provide repayment guarantee for it. The bank assesses the project independently; re-lends on the Bank's own accord, bears the risks and acts as the final repayment party.

To comply with Caizhaizi (2000) No.71 circular issued by the Ministry of Finance, the projects of type three are proprietary loans and accounted on the accrual basis on the financial statements, while the projects of type one and type two are agency transactions and treated as off-balance sheet items on the cash basis. Profit or loss from the projects of type one and type two are accrued in the Bank's income statement according to the corresponding account every month, mainly including commission income from being an agent, interests income and expenses on re-lending loans, and foreign exchange gains/losses on re-lending loans. The Bank presents the cumulative net gain or net loss as of balance sheet date in the caption of "re-lending business current account" under other assets or "re-lending business current account" under other liabilities.

2. General reserves

The Bank's general reserves is used for the compensation of unidentified potential losses. Specific provision rate or amount is according to the regulatory requirement of the supervisory authority.

3. Retirement Welfare Obligations

In accordance with the requirement of the supervisory authority, the obligation of employees' retirement welfare of the Bank is based on cash basis.

II. Significant accounting policies and accounting estimates

1. Statement of compliance with the Accounting Standards for Business Enterprises

These financial statements have been prepared in compliance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance to truly and completely reflect the consolidated and the Bank's financial positions as of 31 December 2022, as well as their operating performance, cash flows and other relevant information by the end of 2022.

2. Accounting period

The accounting period of the Bank is from 1 January to 31 December of each calendar year.

3. Functional currency

The functional currency of the Bank is Renminbi (RMB), except for the branch in Paris which is using Euro as its functional currency. Foreign currency transactions are accounted by using dual accounts system.

4. 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 Bank classifies joint arrangements into joint operations and joint ventures.

(1) Joint operations

A joint operation is a joint arrangement whereby the joint operators have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Bank recognizes the following items in relation to its interest in a joint operation, and account for them in accordance with relevant accounting standards:

- A. Confirmation of its solely-held assets, and its share of any liabilities incurred jointly;
- B. Confirmation of its solely-assumed liabilities, and its share of any liabilities incurred jointly;
- C. Confirmation of its revenue from the sale of its share of the output arising from the joint operation;
- D. Confirmation of its share of the revenue from the sale of the output by the joint operation; and
- E. Confirmation of its solely-incurred expenses, and its share of any expenses incurred jointly.

(2) Joint ventures

A joint venture is a joint arrangement whereby the joint ventures have rights to the net assets of the arrangement.

The Bank adopts equity method under long-term equity investment in accounting for its investment in joint venture.

5. Cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, which is including cash, deposits in central bank with unrestricted nature, and due from banks and other financial institutes, inter-bank lending and financial assets purchased under resale agreement with original maturity not more than 3 months.

6. Foreign currency transactions and translation of foreign currency financial statements

(1) Foreign currency transactions

When the Bank receives capital in foreign currencies from investors, the capital is translated to Renminbi at the spot exchange rate at the date of the receipt. Other foreign currency transactions are, on initial recognition, translated to Renminbi at the spot exchange rates or using reasonably systematic method to determine the exchange rate similar to 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 recognized 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, and the exchange differences are recognized in profit or loss for the current period or other comprehensive income.

(2) Translation of foreign currency financial statements

At the balance sheet date, the foreign currency financial statements are translated into RMB. The assets and liabilities of the balance sheet are translated to RMB using the spot exchange rate at the balance sheet date. Items of the shareholders' equity, except for "undistributed profits" and exchange difference resulted in the translation of foreign currency financial statements that recognized in "other comprehensive income", are translated at the spot exchange rate at the dates on which such items arose. The revenue and expenditures in the statement of income are translated using the spot exchange rate at the transaction date. The above exchange differences resulted in the translation of foreign currency financial statements are recognised in "other comprehensive income" under the caption of owner's equity. Items of the cash flow statement are translated using the spot exchange rate when it incurs. Effects arising from changes of exchange rates on cash and cash equivalents are presented separately as "Effect of changes in exchange rates on cash and cash equivalents" in the cash flow statement.

7. Financial instruments

(1) Recognition and derecognition of financial instruments

A financial asset or financial liability is recognized when the Bank becomes a party to the contractual provisions of a financial instrument.

Buying and selling financial assets in a conventional manner should be recognized and derecognized in the trading day. Buying and selling financial assets in a conventional manner means collecting or delivering financial assets within the time limit specified by regulations or convention in accordance with the terms of the contract. The trading day means the date on which the Bank undertakes to buy or sell the financial asset.

Financial asset is derecognized when one of the following conditions is met (part of a financial asset, or part of a group of similar financial assets), write off from its accounts and balance sheet:

- ① The Bank's contractual rights to the cash flows from the financial asset expire;
- ② The rights to receive cash flows from an asset are transferred, or the obligations to pay the cash flows to a third party in full and in a timely manner are assumed;
 - The Bank transfers substantially all of the risks and rewards of ownership of the financial assets;
 - Although the Bank neither transfers nor retains substantially all of the risks and rewards of ownership of the financial assets, it does not retain control over the transferred asset.

(2) Classification and measurement of financial assets

The classification of financial assets is generally based on the business model in which a financial assets is managed and its contractual cash flow characteristics. On initial recognition, a financial asset is classified as measured at amortized cost, at FVOCI, or at FVTPL. The subsequent measurements of financial assets depend on their classification.

The bank's classification of financial assets is based on the bank's business model of managing financial assets and the cash flow characteristics of financial assets.

A. Financial assets measured at amortized cost

- It is held within a business model whose objective is to hold assets to collect contractual cash lows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost using the effective interest method. A gain or loss on a financial asset that is measured at amortized cost shall be recognized in profit or loss through the amortization process or in order to recognize impairment gain or loss.

B. Debt instruments measured at FVOCI

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, impairment and foreign exchange gains and losses are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

C. Equity instruments measured at FVOCI

The Bank irrevocably chooses to designate certain investments in non-tradable equity instruments as FVOCI. These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other net gains or losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to retained earnings.

D. Financial assets measured at FVTPL

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Only if the Bank changes its business model of managing financial assets, all affected related financial assets are reclassified.

For financial assets measured at FVTPL, the relevant fees are directly included in the current profit or loss, and the fees related to other types of financial assets are included in their initial recognition amount.

(3) Recognition of financial liabilities/equity instruments and classification and measurement of financial liabilities

The Bank classifies financial liabilities into different categories at initial recognition: financial liabilities measured at amortized cost or financial liabilities measured at FVTPL.

The Bank may, at initial recognition, irrevocably designate a financial liability as measured at FVTPL: (i) it eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an accounting mismatch); (ii) a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel; (iii) this financial liability contains derivatives that need to be spun off separately.

The Bank classifies financial liabilities into different categories at initial recognition. For financial liabilities measured at FVTPL, the relevant fees are directly included in the current profit or loss, and the fees related to other types of financial liabilities are included in their initial recognition amount.

Subsequent measurement of financial instruments depends on the categories:

A. Financial liabilities measured at FVTPL

Financial liability is classified as measured at FVTPL if it is classified as held-for-trading (including derivative financial liability) or it is designated as such on initial recognition.

B. Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost using the effective interest method.

(4) Derivative financial instruments and embedded derivative instruments

The Bank's derivative financial instruments include forward exchange contract, currency exchange rate swap agreement, interest rate swap agreement and foreign currency option contract. Derivative financial instruments are initially measured at the fair value of the date a derivative contract entered into and subsequently measured at their fair value. The fair value of derivative financial instruments is determined using active market quotes (including recent market transaction prices) or using valuation methods (including discounted cash flow models and option pricing models).

Derivative financial instruments with positive fair value are recognized as assets while those with negative fair value are recognized as liabilities.

Certain transactions of derivative financial instruments, under the Bank's risk management strategy, are used to provide effective economic hedging for specific interest rate and exchange rate risks. Since they do not meet the Accounting Standards for Business Enterprises No. 24 for applicable hedge accounting, the Bank treats these derivative financial instruments in accordance with derivative financial instruments held for trading purposes, and the changes in fair value are included in "gains or losses from changes in fair value".

(5) Impairment of financial assets

The Bank recognizes loss allowances for ECL on:

- Financial assets measured at amortized cost;
- Debt instruments measured at FVOCI; and
- Loan commitments and financial guarantee contracts.

Credit losses refers to the difference between all contract cash flows receivable under the contract and all cash flows expected to be received, discounted by the Bank at the original effective interest rate, that is, the present value of all cash shortfalls.

The Bank considers all reasonable and substantiated information, including forward-looking information, to estimate the expected credit loss of financial assets measured at amortized cost and financial assets measured at FVOCI (debt instruments) individually or in combination.

A. General model of expected credit loss

If the credit risk of the financial instrument has increased significantly since the initial recognition, the Bank measures its loss provision in an amount equivalent to the expected credit loss over the lifetime of the financial instrument; and if the credit risk of the financial instrument has not increased significantly since the initial recognition, the Bank measures its loss provision in an amount equivalent to the expected credit loss of the financial instrument over the next 12 months. The amount of the resulting increase or reversal of the loss provision is included in the current profit or loss as an impairment loss or gain.

The Bank considers that the credit risk of the financial instrument has increased significantly if there is an more than 30 days overdue payment, unless there is conclusive evidence that the credit risk of the financial instrument has not increased significantly since the initial recognition.

Specifically, the Bank divides the process of credit impairment of financial instruments that are not credit-impaired at the time of purchase or origination into three stages. There are different accounting treatment methods for the impairment of financial instruments in different stages:

The three risk stages are defined as follows:

Stage 1: Credit risk has not increased significantly since initial recognition

For financial instruments at this stage, the Bank shall measure the loss provision based on the expected credit loss in the next 12 months, and calculate the interest income based on its book balance (that is, before deducting the impairment provision) and the actual interest rate (if the instrument is a financial asset, The same below).

Stage 2: Credit risk has increased significantly since initial recognition but no credit impairment has occurred

For a financial instrument at this stage, the Bank shall measure the loss provision based on the expected credit loss of the entire duration of the instrument, and calculate the interest income based on its book balance and actual interest rate.

Stage 3: Credit impairment occurs after initial recognition

For financial instruments in this stage, the Bank shall measure the loss provision according to the expected credit loss of the entire duration of the instrument, but the calculation of interest income is different from the financial assets in the first two stages. For credit-impaired financial assets, the enterprise shall calculate interest income based on its amortized cost (book balance minus provision for impairment, i.e. book value) and actual interest rate.

For financial assets that have incurred credit impairment at the time of purchasing or origin, only the change in the expected credit loss for the entire period after initial recognition should be recognized as a loss provision. And the interest income shall be calculated at its amortized cost and the credit-adjusted interest rate.

B. The Bank will not compare the credit risk of a financial instrument with a lower credit risk at the balance sheet date, and directly assumed that the credit risk of the instrument had not increased significantly since the initial recognition.

A financial instrument may be considered to have a lower credit risk if the bank determines that the risk of breaking the contract is low, the borrower's ability to perform its obligation is strong, and it will not necessarily reduce the borrower's ability to meet its obligation to pay contractual cash flows even if there are adverse changes in the economic situation and operating environment over a longer period of time.

C. Receivables and lease receivables

The Bank adopts a simplified model of expected credit losses for receivables under CAS 14-Revenue that do not contain a material financing component (including where the financing component of a contract not exceeding one year is not taken into account under the Standard) and always measures its loss provision against the amount of the expected credit loss over the lifetime.

For receivables containing a significant financing component and lease receivables regulated by CAS 21-Leases, the Bank has chosen to adopt a simplified model of expected credit losses, i.e. to measure loss provisions in an amount equivalent to expected credit losses over the lifetime.

D. Description of parameters, assumptions, and estimation techniques

Expected credit losses ("ECL") for a financial instrument is measured at an amount equal to 12-month ECL or lifetime ECL depending on whether a significant increase in credit risk on that financial instrument has occurred since initial recognition or whether an asset is considered to be credit-impaired. The loss allowance for credit operations, other than those credit operations which are credit-impaired, considered using parameters include Probability of Default ("PD"), Loss Given Default ("LGD"), and Exposure at Default ("EAD"), considering the time value of money.

The Bank classifies assets with similar risk characteristics, groups them according to attributes such as the customer's industry and customer type, and uses the combination valuation method to estimate the ECL of each combination.

There have been no significant changes in estimation techniques or significant assumptions made during the year.

The impairment loss on credit-impaired credit operations applied cash flow discount method.

If it is difficult for the Bank to reflect the impact of relevant risk factors on ECL through phase division, evaluation models and forward-looking adjustments in the short term, the Bank will use management overlay to adjust the ECL assessment results in accordance with regulatory requirements.

E. Forward-looking information contained in ECL

Through historical data analysis, the Bank identified macroeconomic indicators that affect expected credit losses, such as gross domestic product (GDP), consumer price index (CPI), producer price index (PPI), broad money (M2), etc. For the GDP, the Bank's forecasted GDP growth rate for 2023 under the neutral scenario is about 5%, and the forecasted GDP growth rate for 2023 under the optimistic and pessimistic scenarios is based on the forecasted value of the neutral scenario. Floating up and floating down are formed at a certain level.

The optimism, neutral and pessimism scenarios and its weightings determined by a combination of macro-statistical analysis and expert judgment are taken into account by the Bank in order to maintain relative stability.

(6) Transfer of financial assets

The Bank derecognizes a financial asset if it transfers substantially all the risks and rewards of ownership of the financial asset to the transferee. If substantially all the risks and rewards of ownership of the financial asset is retained, the financial asset is not derecognized.

The Bank neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, and the accounting treatment is shown as following: if the Bank has forgone control over the financial asset, the financial assets is derecognized, and new assets and liabilities are recognized. If the Bank retains control over the financial asset, the financial asset is recognized to the extent of its continuing involvement in the transferred financial asset, and an associated liability is recognized.

If the company continues to be involved by providing financial guarantee for the transferred financial assets, the assets formed by continuous involvement shall be recognized according to the lower of the book value of the financial assets and the amount of financial guarantee. The amount of financial guarantee is the maximum amount of consideration received that will be required to be repaid.

(7) Offset between financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(8) Write off

When the Bank determines that a loan has no reasonable prospect of recovery after the Bank has completed all the necessary legal or other proceedings, the loan is written off against its allowance for impairment losses according to the Ministry of Finance. If in a subsequent period the loan written off is recovered, the amount recovered will be recognized in profit or loss through impairment losses.

8. Fair value measurement

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial instruments are measured at fair value. The fair value of the Bank's financial instruments such as bond investments with active markets (excluding derivative financial products) generally refer directly to quotes in active markets. Quotes in active markets refer to readily and regularly available from an exchange, broker, industry group, or pricing service agency, and represents the actual occurring market transactions on an arm's length basis. For financial instruments such as bond investments that do not have active market quotes and derivative financial products, their fair value is determined by valuation method. Valuation techniques used include reference to prices used in recent market transactions by parties familiar with the situation under voluntary transactions, current fair values of other financial instruments that are substantially identical, discounted cash flow methods, and option pricing models. The Bank selects valuation techniques that were generally accepted by market participants and verified by previous market transaction prices. The Bank regularly evaluates valuation techniques and tests their effectiveness.

9. Transaction of purchased under resale agreements and sold under repurchase agreement

A transaction of purchased under resale agreements is the purchase of securities from a counter-party under a resale agreement and the resale of the same securities at an agreed price on a future date. The transaction of sold under repurchase agreement is the sale of securities to a counter-party under the repurchase agreement and the repurchase of the same securities at an agreed price on a future date.

Purchased under resale agreements and sold under repurchase agreement are accounted for as the amount actually paid or received at the time of the transaction and are reflected in the balance sheet. The underlying assets of purchased under resale agreement are not recognized and are registered off-balance sheet. The underlying assets of sold under repurchase agreement are still reflected in the balance sheet.

The interest income earned on the purchased under resale agreement and the interest expense payable on sold under repurchase agreement are recognized as interest income and interest expense over the period of the agreement using the effective interest method.

10. Long-term equity investments

Long-term equity investments include equity investment in subsidiaries, joint ventures and associates. Where the Bank can exercise significant influence over the investee, the investee is an associate.

(1) Determination of investment cost

Long-term equity investment acquired through a business combination: For a business combination involving enterprises under common control, the initial investment cost of a long-term equity investment is the combining party's share of the carrying amount of the owners' equity of the combined party in the consolidated financial statements of the ultimate controlling party at the date of combination. For a business combination not involving enterprises under common control, the initial investment cost of a long-term equity investment is the cost of acquisition.

Long-term equity investment acquired other than through a business combination: For a long-term equity investment acquired by cash, the initial investment cost is the amount of cash paid. For a long-term equity investment acquired by issuing equity securities, the initial investment cost is the fair value of the equity securities issued.

(2) Subsequent measurement and recognition of profit or loss

Long-term equity investments in subsidiaries are accounted for using the cost method, unless the investment satisfies the conditions of held-for-sale. An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement.

For long-term equity investment which is accounted for using the cost method, the cash dividend or profit announced and distributed is recognized as investment income in profit or loss for the current period, except for those cash dividend or profit which have already included in the actual payment or consideration of offer when the investment was made.

For long-term equity investment which is accounted for using the equity method, where the initial investment cost of a long-term equity investment exceeds the Bank's interest in the fair values of the investee's identifiable net assets, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Bank's interest in the fair values of the investee's identifiable net assets, the difference is charged to profit or loss for the current period, and the carrying amount of the long-term equity investment is adjusted accordingly.

Under the equity method, the Bank recognizes its share of the investee's net profit or losses and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. The carrying amount of the investment is reduced by the portion of any profit distributions or cash dividends declared by the investee that is attributable to the Bank. The Bank's share of the investee's owners' equity changes, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution, is recognized in the owner's equity, and the carrying amount of the long-term equity investment is adjusted accordingly. The Bank recognizes its share of the investee's net profits or losses based on the fair values of the investee's individual separately identifiable assets at the time of acquisition, after making appropriate adjustments thereto in conformity with the accounting policies and accounting periods of the Bank.

(3) Method of impairment testing and impairment provision

For investment of subsidiaries, associates and joint ventures, refer to Note II. 18 for the method of asset impairment.

11. Investment properties

Investment property is a property held to earn rentals or for capital appreciation. The Bank's investment property includes land use rights and buildings leased to other party, and land use rights held for appreciation.

The Bank's investment property is initially measured at acquisition cost, and is depreciated or amortized according to the same policy for fixed assets or intangible assets.

When an investment property is sold, transferred, retired or damaged, the amount of proceeds on disposal of the property deducting the carrying amount and related taxes and surcharges is recognized in profit or loss for the current period.

12. Fixed assets

(1) Recognition of fixed assets

Fixed assets are tangible assets that are higher unit price and have useful lives more than one accounting year.

Fixed assets include buildings, equipment, motor vehicles and others. A fixed asset is initially measured at cost. The cost of a purchased fixed asset comprises its purchase price, relevant taxes such as tariffs and any directly attributable costs of bringing the asset to its present working condition and location for its intended use. The cost of a proprietary constructed fixed asset comprises those expenditures necessarily incurred for bringing the asset to working condition for its intended use. The fixed assets invested by investors are recorded at the value agreed in the investment contract or agreement, but using fair value when the value stipulated in the contract or agreement is not fair. The cost of fixed assets under finance lease are based on the lower of the fair value of the leased assets on the lease start date and the present value of the minimum lease payment.

Subsequent expenditures incurred on a fixed asset, such as repairs and maintenance cost, dismantlement, removal and restoration costs, is included in the cost of the fixed asset, only if it meets the recognition criteria of a fixed asset. The carrying amount of the replaced part is derecognized. Other subsequent expenditures that fails to meet the recognition criteria of a fixed asset shall be recognized in profit or loss in the period in which they are incurred.

(2) Depreciation methods

The Bank provides depreciation for all its fixed assets other than fully depreciated fixed assets that are still in use and land that is separately valued and accounted for. Depreciation is calculated on the straight-line basis and expense according to its use. The estimated useful lives, residual value rates and depreciation rates of the Bank's fixed assets are as follows:

Categories	Useful life (years)	Residual rate (%)	Annual depreciation rate (%)
Buildings	30-35	3	2.77-3.23
Equipment	3-5	3	19.40-32.33
Motor vehicles	6	3	16.17
Other equipment	5	3	19.40

(3) Impairment testing and the impairment provision of fixed assets refer to Note II. 18.

(4) The Bank reviews the useful life, estimated net residual value and the depreciation method of fixed assets at the end of each financial year. Useful lives of fixed assets are adjusted if they are different with the initial estimates.

A fixed asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or losses arising from selling, transferring, retiring or damaging the asset, which calculated as the difference between the net disposal proceeds and the carrying amount of the asset and related tax expenses is recognized in the profit or loss for the current period.

13. Construction in progress

Construction in progress is recognized based on the actual construction cost, including all expenditures incurred for construction projects, capitalized borrowing costs for the construction in progress before it has reached the working condition for its intended use and other related expenses during the construction period.

Construction in progress is transferred to fixed assets when it has reached the working condition for its intended use.

Provision for impairment of construction in progress refers to Note II. 18.

14. Intangible assets

The Bank's intangible assets include land use right and software.

Intangible asset is initially measured at cost and its useful life is determined on acquisition. An intangible asset with a finite useful life is amortized by a method which can reflect the expected realization of economic benefits related to the asset since the intangible asset is available for use. When the expected realization of economic benefits cannot be reliably determined, intangible asset is amortized under straight-line method. An intangible asset with an indefinite useful life is not amortized.

Amortization methods of intangible assets with finite useful life are shown as follows:

Categories	Useful life (years)	Amortization method
Land use right	37.75-40	Straight-line method
Software	3-10	Straight-line method

Impairment method of intangible assets refers to Note II. 18.

15. Research and development expenditures

Expenditures on an internal research and development project is classified into expenditures on the research phase and expenditures on the development phase.

Expenditures on the research phase is recorded in profit or loss when incurred.

Expenditures on the development phase is capitalized only when the Bank can satisfy all of the following conditions: it is technical feasible that the intangible asset can be used or sold upon completion; there is intention to complete the intangible asset for use or sale; 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 of the intangible asset, and there is capability to use or sell the intangible asset; the expenses attributable to the development stage of the intangible asset can be measured reliably. Expenditures on the development phase is recorded in profit or loss for the current period if the above conditions are not met.

Research and development projects of the Bank will enter into the development phase when they meet the above conditions and pass the technical feasibility and economic feasibility studies and necessary approval of the project.

Capitalized expenditures 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.

16. Foreclosed assets

When recovering the impaired loans and receivables, the Bank may acquire ownership of the foreclosed assets through legal procedures or at the borrower's will. If the Bank intends to liquidate and exempts the borrower from repaying loans, foreclosed assets are presented as "Foreclosed Assets".

When the Bank compensates for losses on loans and advances and accrued interest with foreclosed assets, the financial foreclosed assets are recorded at fair value. The relevant costs, such as taxes and fees payable in respect of the acquisition of a foreclosed asset, the payment of litigation expenses and taxes owed in respect of the acquisition of a foreclosed asset, according to the type of financial asset, should be recorded at the profit and loss of the current period or the initial book value. The initial recognition of non-financial foreclosed assets should be recorded at cost in accordance with the fair value of the abandoning of claims. The relevant costs, such as the relevant taxes, fees, the litigation expenses and the taxes to be paid in order to obtain the foreclosed assets, shall be included in the book value of the foreclosed assets.

When the Bank disposes of the foreclosed asset, if the disposal income is greater than the carrying value of the foreclosed asset, the difference is recorded in non-operating income. If the disposal income is less than the carrying value of the foreclosed asset, the difference is recorded in non-operating expenses. The fees incurred in the disposal is deducted from the disposal income.

Impairment method of foreclosed assets refers to Note II. 18.

17. Long-term deferred expenses

Long-term deferred expenses are recorded at the actual cost, and amortized evenly over the expected benefit period. For the long-term deferred expense that cannot benefit in future accounting period, their amortized value is recognized in profit or loss for the current period.

18. Impairment of other assets

The impairment of subsidiaries, associates and joint ventures in the long-term equity investments, foreclosed assets, investment property subsequently measured at cost model, fixed assets, construction in progress, and intangible assets are determined as follows:

At each balance sheet date, the Bank determines whether there may be indication of impairment of the assets, if there is any, the Bank will estimate the recoverable amount of the asset, and perform test for impairment.

The recoverable amount of an asset is determined by the higher of the net amount after deducting the disposal costs from the asset's fair value and the present value of the asset's estimated future cash flow. The recoverable amount of asset is estimated on individual basis. If it is not possible to estimate the recoverable amount of the individual asset, the Bank determines the recoverable amount of the asset group to which the asset belongs. The identification of the asset group is based on whether the cash flow generated from the asset group is independent of the major cash inflows from other assets or asset groups.

When the asset or asset group's recoverable amount is lower than its carrying amount, the Bank reduces its carrying amount to its recoverable amount. The reduced amount is recorded in profit or loss for the current period and the provision for impairment of assets are recognized.

Once an impairment loss is recognized, it is not reversed in a subsequent period.

19. Provisions

A provision is recognized as a liability when an obligation related to a contingency satisfied all of the following conditions:

- (1) The obligation is a present obligation of the Bank;
- (2) It is probable that an outflow of economic benefits will be required to settle the obligation;
- (3) The amount of the obligation can be measured reliably.

For off-balance sheet, including the outstanding amount of letter of credit and letter of guarantee is taking reference to the similar financial assets on the balance sheet in assessing, on a group basis, whether there are objective evidences for the provision of credit risks and provisions are recognized.

Provisions are initially measured at the best estimate of the payment to settle the associated obligations by considering the relevant risk, uncertainty and time value of money. If the impact of time value of money is significant, the best estimate is determined as its present value of future cash outflow. The Bank reviews the carrying amount of provisions at the balance sheet date and adjusts the carrying amount to reflect the best estimate.

The Bank recognizes the provisions for letters of guarantee and letters of credit off-balance-sheet businesses by referring to the loan impairment policy.

20. Revenue

The Bank recognizes revenue when the relevant economic benefits can flow in and the amount of revenue can be measured reliably.

(1) Interest income

Interest income is recognized according to the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial asset or financial liability and apportioning interest income or interest expense during the relevant period. An effective interest rate is the interest rate used to discount the future cash flows of financial assets and financial liabilities within the estimated period to the net book value of the financial assets or financial liabilities. The Bank considers all contractual terms of financial instruments when estimating future cash flows, but does not consider future credit losses. The calculation includes all transaction fees and premium or discounts attributable to the component under effective interest rate method.

Where a financial asset is impaired, the interest income is recognized based on the interest rate which is the discount rate used in the assessment of impairment loss.

(2) Fee and commission income

Fee and commission income is generally recognized on an accrual basis when relevant services are provided.

The loan commitment fee (and its associated direct costs) associated with the loan that may be granted is deferred and used as an adjustment to the effective interest rate of the loan. When the syndicated loan arrangement has been completed and the Bank does not retain any loans, or only retains part of the loan at the same effective interest rate as other syndicated members, the syndicated loan handling fee is recognized as income.

The Bank's fee income generated from the Bank's solely or participating in providing mergers and acquisitions and securities issuance services to third parties is recognized based on the service contract when the transaction is completed. Asset management and other management consulting, service fees and financial guarantee fees are based on service contract agreements and are usually recognized on a pro-rata basis by installments.

(3) Foreign exchange gains or losses

Foreign exchange gains and losses are mainly exchange differences resulted by the Bank's retained foreign currency exposure with exchange rate fluctuations in the market.

21. Basis in recognition of expenditures

Interest expense is recognized in the income statement using the effective interest method.

Other expenses are recognized on the accrual basis.

22. Income tax

Income tax comprises of current tax and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to transactions or items recognized directly in equity and goodwill arising from a business combination.

Temporary differences arising from the difference between the carrying amount of an asset or liability and its tax base, and item not recognized as asset and liability but the temporary difference between the book value and the tax base of that item whose tax base is determined according to the tax law, are recognized as deferred tax using the balance sheet liability method.

All the taxable temporary differences are recognized as deferred tax liabilities except for those incurred in the following transactions:

- (1) Initial recognition of goodwill or initial recognition of an asset or liability in a transaction which is neither a business combination nor affects accounting profit or taxable profit (or deductible loss) when the transaction occurs;
- (2) The taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, and the Bank is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The Bank recognizes a deferred tax asset for the carry forward of deductible temporary differences, deductible losses and tax credits to subsequent periods, to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, deductible losses and tax credits can be utilized, except for those incurred in the following transactions:

- (1) The transaction is neither a business combination nor affects accounting profit or taxable profit (or deductible loss) when the transaction occurs;
- (2) The deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, the corresponding deferred tax asset is recognized when both of the following conditions are satisfied: it is probable that the temporary difference will reverse in the foreseeable future and it is probable that taxable profits will be available in the future against which the temporary difference can be utilized.

At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, and their tax effect is reflected.

At the balance sheet date, the Bank reviews the carrying amount of a deferred tax asset. If it is probable that sufficient taxable profits will not be available in future periods to allow the benefit of the deferred tax asset to be utilized, the carrying amount of the deferred tax asset is reduced. Any such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.

23. Leases

(1) As lessor

In finance leases, at the commencement of the lease, the Bank recognizes the sum of minimum lease receipt amount and initial direct costs as the recognized amount of finance leases receivable and also recognized the unguaranteed residual value. The difference between the aggregate of the minimum lease receipts, the initial direct costs and the unguaranteed residual value, and the aggregate of their present value is recognized as unearned finance income. Unrealized finance income is allocated over the lease period by effective interest method and finance income is recognized in profit or loss for the current period.

Income derived from operating leases is recognized in profit or loss using the straight-line method over the lease term. Initial direct costs are charged to profit or loss immediately.

(2) As lessee

The Bank recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is depreciated using the straight-line method. If the lessee is reasonably certain to exercise a purchase option by the end of the lease term, the right-of-use asset is depreciated over the remaining useful lives of the underlying asset. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The Bank determined incremental borrowing rate as the interest rate that a lessee would have to pay to borrow to obtain a similar assets, close to the right-of-use asset, in a similar economic environment with a similar term and under similar mortgage conditions.

A constant periodic rate is used to calculate the interest on the lease liability in each period during the lease term with a corresponding charge to profit or loss or included in the cost of assets where appropriate. Variable lease payments not included in the measurement of the lease liability is charged to profit or loss or included in the cost of assets where appropriate as incurred.

Under the following circumstances after the commencement date, the Bank re-measures lease liabilities based on the present value of revised lease payments:

- there is a change in the amounts expected to be payable under a residual value guarantee;
- there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments;
- there is a change in the assessment of whether the Bank will exercise a purchase, extension or termination option, or there is a change in the exercise of the extension or termination option.

When the lease liability is re-measured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Bank has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Bank recognizes the lease payments associated with these leases in profit or loss or as the cost of the assets where appropriate using the straight-line method over the lease term.

24. Employee benefits

Employee benefits are all forms of consideration given and other relevant expenditures incurred by the Bank in exchange for service rendered by employees. In the accounting period in which an employee has rendered services, the Bank recognizes the employee benefits payable for those services as a liability, and recognizes relevant asset or expense for the current period.

Note: The consolidated amount of salaries, bonuses and subsidies accrued by the Bank in 2022 is RMB1,753,997,128.63.

(1) Social welfare

According to related regulations, the Bank adopts the social welfare policy for government sponsored institutions. Employees of the headquarters of the Bank are enrolled in medical insurance schemes, unemployment insurance schemes and employment injury insurance schemes. Some branches are enrolled in local social welfare schemes according to the local policies. Expenditures related to payments for employees' social welfare is included in profit or loss for the period in which they are incurred.

(2) Retirement benefits

According to the regulations issued by the regulatory authority, expenditures related to pension and benefits for retired employees is included in profit or loss for the period in which it is incurred.

(3) Housing funds and subsidy

Pursuant to related regulations, all employees of the Bank participate in various local housing funds schemes administered by local governments. The Bank contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees. These payments are recognized in profit or loss for the period in which they are incurred.

The Bank provides housing allowance to the employees applicable. Housing allowance is recognized in profit or loss for the period in which they are disbursed.

25. Fiduciary business

The Bank acts as a custodian, trustee or agent in fiduciary activities. The assets held for fiduciary activities and commitments to return the assets to the clients are not included in the balance sheet of the Bank, and risks and rewards of these assets are the responsibility of the customers.

Entrusted loans are loans funded by the mandator, and the Bank grants loans to borrowers at the direction of the mandator with regard to the borrower, purpose, amounts, term, interest rates, and etc. The Bank is entrusted to make payment to the borrower, supervise the use of the loans and assist in collecting these loans. The mandator bears the risk. The Bank charges a commission related to the entrusted loans, and neither presents the entrusted loans in the balance sheet nor accrues impairment provision for the loans.

26. Accounting treatment of business combination

For business combinations involving enterprises not under common control, the consideration costs include acquisition-date fair values of the assets transferred, liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for control of the acquire. At the acquisition date, the acquired assets, liabilities and contingent liabilities of the acquiree are measured at their fair value.

Where the combination cost exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognized as goodwill, and subsequently measured on the basis of its costs 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 credited in profit or loss for the current period after reassessment.

27. Basis of preparation of consolidated financial statements

(1) Scope of consolidation

The scope of consolidated financial statements is determined on the basis of control. Control exists when the Bank 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 Bank (including enterprise, a portion of an investee as a deemed separate component, and structured entity controlled by the enterprise).

(2) Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared by the Bank based on the financial statements of the Bank and its subsidiaries and other relevant information. In preparation of consolidated financial statements, the accounting policies and accounting periods of the subsidiaries should be consistent with those established by the Bank, and all significant inter-company accounts and transactions are eliminated.

During the reporting period, where a subsidiary and business was acquired by business combination under common control, the beginning balances of the consolidated balance sheet were adjusted. The revenue, expenses, profit and cash flow of the subsidiary and business of the current year were consolidated into the reporting period. The subsidiary or business is deemed to be included in the consolidated financial statements from the date they are controlled by the ultimate controlling party.

Where a subsidiary or business has been acquired during the reporting period, through a business combination not involving enterprises under common control, the revenue, expenses and profit of the subsidiary or business after the acquisition date are included in the consolidated income statement, the cash flows after the acquisition date are included in consolidated cash flow statement.

The portion of a subsidiary's equity that is not attributable to the parent is treated as minority 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 minority interests is presented in the consolidated income statement below the "net profit" line item as "minority interests". When the amount of loss for the current period attributable to minority interests of the subsidiary exceeds the minority interests' share of the opening equity of the subsidiary, the excess is still allocated against the minority interests.

Where the Bank acquires a minority interest from a subsidiary's minority shareholders or disposes of a portion of an interest in a subsidiary without a change in control, the transaction is treated as equity transaction, and the book value of shareholder's equity attributed to the Bank and to the minority interest is adjusted to reflect the change in the Bank's interest in the subsidiaries. The difference between the proportion interests of the subsidiary's net assets being acquired or disposed and the amount of the consideration paid or received is adjusted to the capital reserves in the consolidated balance sheet, with any excess adjusted to retained earnings.

(3) Losing control over the subsidiary

When the Bank loses control over 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 losing control over the subsidiary. A gain or loss is recognized in profit or loss for the current period and is calculated by the aggregate of the consideration received in disposal and the fair value of remaining part of the equity investment deducting the share of carrying value of net assets in proportion to previous shareholding percentage in former subsidiary since acquisition date and the goodwill.

Other comprehensive income related to the former subsidiary is transferred to profit or loss for the current period 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.

28. Significant accounting judgments and estimates

The Bank makes continuous evaluation on significant accounting estimates and key assumptions based on historical experience and other factors, including reasonableness of estimation about future events. The followings are the significant accounting estimations and key assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year. When there is significant variance between the reality and the following accounting estimates and judgments, the Bank shall make reasonable adjustment according to the facts.

(1) The measurement of the expected credit loss

The measurement of the expected credit loss allowance for financial assets measured at amortized cost and FVOCI and with exposure arising from loan commitments and financial guarantee contracts, is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (the likelihood of customers defaulting and the resulting losses).

(2) Fair value of financial instruments

The Bank establishes fair value of financial instruments with reference to a quoted market price in an active market or, if there is no active market, using valuation techniques. These valuation techniques include using recent arm's length transactions, observable prices for similar instruments, discounted cash flow analysis using risk-adjusted interest rates, and commonly used market pricing models. Valuation models applied to determine fair value of derivatives and other financial instruments use observable market inputs and data including, for example, interest rate yield curves and foreign currency rates. The results of using valuation techniques are calibrated against industry practice and observable current market transactions in the same or similar instruments.

The Bank revises the valuation scope according to the operational strategy and risk management policies. Valuation techniques and models are updated in accordance with the establishment and improvement of risk quantification and assessment system.

(3) Income tax

In the course of general business, income tax recognition involves judgment on future tax treatment, and, the final tax treatment is uncertain. The Bank assesses the tax effect of all transactions prudentially and calculates relevant income tax. The Bank has taken into consideration the existing tax legislation and the judgment of past practice made by government institutions, to decide whether impairment loss shall deduct taxable income. If the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will be determined as the income tax and deferred income tax for the period.

The Bank recognizes deferred tax assets in accordance with deductible temporary differences and deductible losses. The Bank assesses the judgment on deferred income tax continuously, and recognizes deferred tax assets to the extent that it is probable that taxable profits will be available in the future.

29. Changes in significant accounting policies and accounting estimates

(1) Changes in accounting policies

1. From January 1, 2022, the Bank adopted the relevant provisions of the Interpretation of Accounting Standards for Business Enterprises No. 15 (Cai Kuai [2021] No. 35), and adjusted the amounts of related items in the financial statements based on the cumulative effect. The change in accounting policy has no impact on the relevant items of the Company's financial statements.

2. From January 1, 2022, the Bank adopted the relevant provisions of the Interpretation of Accounting Standards for Business Enterprises No. 16 (Cai Kuai [2022] No. 31), and adjusted the amounts of related items in the financial statements based on the cumulative effect. The change in accounting policy has no impact on the relevant items of the Company's financial statements.

(2) Changes in accounting estimates

There was no change in significant accounting estimates in the year.

(3) Correction of major accounting errors in the previous period

There was no correction of major accounting errors in the year.

III. Taxation

1. Major taxes and tax rates

Taxes	Tax basis	Tax rate %
Value-added tax	Taxable revenue	6
Urban maintenance and construction tax	Turnover tax payable	7
Education surcharge	Turnover tax payable	3
Local education surcharge	Turnover tax payable	1-2
Enterprise income tax	Taxable income	25

2. Tax policies

- (1) According to the provisions of Guoshuihan [2010] No. 184, the Bank's enterprise income tax is uniformly paid by the head office. The enterprise income tax of overseas entities of the Bank is subject to the local tax rate.
- (2) According to the relevant documents of the Ministry of Finance and the State Administration of Taxation on "Notice about several policies on the Reform of Value-added Tax for Business Taxes" (Cai Shui [2016] No. 36), as of May 1, 2016, the Bank's interest income, income from transfer of financial commodities etc. are subject to value-added tax with a rate of 6%.
- (3) The relevant taxes of the Hong Kong subsidiaries of the Bank, EIBC Holdings Limited, CEEF Holdings Limited and CLACF Holdings Limited are subject to the local tax rate in accordance with the local tax regulations.

IV. Related parties

1. Recognition criteria for related parties

If one party controls, jointly controls or exerts significant influence on the other party, and two or more parties are controlled, jointly controlled or significantly influenced by one party, they constitute related parties.

2. Shareholders of the Bank

(1) Buttonwood Investment Holding Company Ltd. ('Buttonwood')

Buttonwood is a wholly owned subsidiary of the State Administration of Foreign Exchange of China. Its principal activities are domestic and overseas investments in project, equity, debt, loan and fund, fiduciary management and investment management.

As at 31 December 2021 and 2022, Buttonwood owned 89.26% of the issued share capital of the Bank.

Transactions with Buttonwood and transactions with entities controlled or joint controlled by Buttonwood are carried out in the Group's ordinary course of business under normal commercial terms.

(2) The Ministry of Finance

The MOF is a ministry under the State Council of the PRC. As at 31 December 2021 and 2022, the MOF directly owned 10.74% of the issued share capital of the Bank.

The Group enters into transactions with the MOF in its ordinary course of business, including subscription and redemption of treasury bonds.

3. Subsidiaries of the Bank

Companies	Principal places of business	Registration places	Business natures	Paid-in capital	Shareholding (%)		Acquisition method
					Direct	Indirect	
EIBC Holdings Limited	Hong Kong	Hong Kong	Investment management	USD3,352,564.00	100.00		Direct investment
CEEF Holdings Limited	Hong Kong	Hong Kong	Investment management	USD276,824,006.00	100.00		Direct investment
CLACF Holdings Limited	Hong Kong	Hong Kong	Investment management	USD476,660,163.00	100.00		Direct investment
Shanghai Shengying Real Estate Co., Ltd.	Shanghai	Shanghai	Construction/Properties	CNY211,705,038.01	100.00		Direct investment
Jinyin Infrastructure Fund Co., Ltd.	Beijing	Beijing	Investment management	CNY5,000,000,000.00	100.00		Direct investment

4. Significant joint ventures or associates of the Bank

Companies	Principal places of business	Registration places	Business natures	Shareholding (%)		Accounting treatment of investments in joint ventures or associates
				Direct	Indirect	
① Joint ventures						
Chengdu Yinke Venture Capital Co., Ltd.	Chengdu	Chengdu	Investment management	50.00		Equity method
China-Japan Energy Conservation and Environmental Protection Venture Capital Management Co., Ltd.	Hangzhou	Hangzhou	Investment management	55.00		Equity method
China-Japan Energy Conservation and Environmental Protection Venture Capital Co., Ltd.	Hangzhou	Hangzhou	Investment management	16.50		Equity method
② Associates						
Chongqing Export-Import Credit Guarantee Co., Ltd.	Chongqing	Chongqing	Guarantee	40.00		Equity method
Northeast China Small and Medium-Sized Enterprises Financing Re-Guarantee Co., Ltd.	Changchun	Changchun	Guarantee	29.49		Equity method
Dandong Port Group Co., Ltd	Dandong	Dandong	Port services	19.27		Equity method

V. Commitments and contingencies

1. Significant commitments

(1) Credit commitments

Unit: In thousands of Renminbi

Items	31 December 2022	31 December 2021
Issued letters of credit	68,206,444.32	44,887,466.05
Issued letters of guarantee	247,517,419.06	207,550,898.06
Bank acceptance bills	18,442,326.23	37,086,136.87
Irrevocable loan commitments	241,652,341.70	329,192,423.83
Total	575,818,531.31	618,716,924.81

(2) Capital commitments

Unit: In thousands of Renminbi

Capital commitments entered into but not recognized in the financial statements	31 December 2022	31 December 2021
External investment commitments	61,780,260.25	64,454,401.12

2. Contingencies

As at December 31, 2022, the Bank, as the plaintiff/applicant, involved in 71 cases with the total subject amount RMB17.52 billion.

As of December 31, 2022, there is no other contingency to be disclosed.

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