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承董事會命
中聯重科股份有限公司
董事長
詹純新

中國長沙，2026年2月6日

於本公告刊日期，本公司執行董事為詹純新博士及劉小平先生；非執行董事為賀柳先生及王賢平先生；以及獨立非執行董事為張成虎先生、黃國濱先生、吳寶海先生及黃珺女士。

* *僅供識別*

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached offering circular (the "**Offering Circular**

Zoomlion Heavy Industry Science and Technology Co., Ltd.*
中聯重科股份有限公司

(a joint stock company incorporated in the People 's Republic of China with limited liability)

(Stock Code: 1157)

RMB6,000,000,000 0.70% U.S. Dollar Settled Convertible Bonds due 2031 convertible into ordinary H shares of Zoomlion Heavy Industry Science and Technology Co., Ltd. Issue Price: 100.0 per cent.

The 0.70 per cent. U.S. dollar settled convertible bonds due 2031 in the aggregate principal amount of RMB6,000,000,000 (the "**Bonds**") will be issued by Zoomlion Heavy Industry Science and Technology Co., Ltd. (the "**Issuer**" or the "**Company**") on 5 February 2026 (the "**Issue Date**"). The issue price will be 100.0 per cent. of the aggregate principal amount of the Bonds. The Bonds will be constituted by a trust deed entered into between the Issuer and The Hongkong and Shanghai Banking Corporation Limited as trustee (the "**Trustee**") dated the Issue Date (the "**Trust Deed**").

The Bonds will constitute direct, unsubordinated, unconditional and (subject to the provisions of Condition 3.1 (*Negative Pledge*) of the terms and conditions of the Bonds (the "**Terms and Conditions**" or the "**Conditions**")) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 3.1 (*Negative Pledge*) of the Terms and Conditions, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations.

Subject as provided in the Terms and Conditions, each Bond will, at the option of the holder thereof, be convertible (unless previously redeemed, converted or purchased and cancelled) at any time on or after the 41st day after the Issue Date up to the close of business (at the place where the certificate evidencing such Bond is deposited for conversion) on the date falling seven working days prior to 5 February 2031 (the "**Maturity Date**") (both days inclusive) into fully paid ordinary H shares of the Issuer (the "**H Shares**" or the "**Shares**") at an initial conversion price of HK$10.02 per H Share. The conversion price will be subject to adjustment in the circumstances described under "*Terms and Conditions of the Bonds – Conversion – Adjustments to Conversion Price*" or "*Terms and Conditions of the Bonds – Conversion – Adjustment upon Change of Control*." The Closing Price (as defined in the Terms and Conditions) of the H Shares on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**" or "**SEHK**") on 28 January 2026 was HK$8.45 per H Share. The Bonds will bear interest on their outstanding principal amount from and including the Issue Date at the rate of 0.70 per cent. per annum, payable semi-annually in arrear in equal instalments on 5 February and 5 August in each year at its U.S. Dollar Equivalent (as defined in the Terms and Conditions).

Unless previously redeemed, converted or purchased and cancelled as provided in the Terms and Conditions, the Issuer will redeem each Bond at the U.S. Dollar Equivalent of 105.73 per cent. of its principal amount, together with the U.S. Dollar Equivalent of accrued and unpaid interest thereon on the Maturity Date. On giving not less than 30 nor more than 60 days' notice to the Trustee, the Principal Agent and the Bondholders (which notice shall be irrevocable), the Issuer may redeem all but not some only of the Bonds at the U.S. Dollar Equivalent of the Early Redemption Amount (as defined in the Terms and Conditions), together with the U.S. Dollar Equivalent of accrued and unpaid interest thereon to but excluding the date fixed for redemption: (i) at any time after 19 February 2028 but prior to the Maturity Date, subject to certain conditions as specified in the Terms and Conditions; or (ii) if at any time the aggregate principal amount of the Bonds outstanding is less than 10 per cent. of the aggregate principal amount ohS.w0suew0sueuding amountn2.8(w0sue)-362.9(d0sue)-348d.8(w0sueasesua60.6(ohS.)62.8(b0nditions;)-3.8(b0ndi15.8(w0sueu/F31Tf2.598the352D[(quivaFur-362.8(p0suer)-35s/F21Tf6.5

NOTICE TO INVESTORS

The Issuer, having made all reasonable enquiries, confirms that (i) this Offering Circular contains all information (including financial, business conditions and prospects information) with respect to the Issuer, to the Group, to the Shares and to the Bonds which, as of such date, is material in the context of the issue and offering of the Bonds (including the information which is required by applicable laws and regulations according to the particular nature of the Issuer, the Group, the Shares and the Bonds, is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and the Group, and of the rights attaching to the Shares and the Bonds); (ii) the statements contained in this Offering Circular (as defined in the Subscription Agreement) relating to the Issuer, and to the Group, are true and accurate in all material respects and not misleading; (iii) the opinions and intentions expressed in this Offering Circular (as defined in the Subscription Agreement) with regard to the Issuer and to the Group are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions; (iv) all reasonable enquiries have been made by the Issuer to ascertain such facts in relation to the Issuer, the Group, the Bonds and the Shares and to verify the accuracy in all material respects of all such information and statements in relation to the Issuer, the Group, the Bonds and the Shares as contained in this Offering Circular; and (v) this Offering Circular does not include an untrue statement of a material fact or omit to state a material fact or other facts in relation to the Issuer, the Group, the Shares or the Bonds, necessary in order to make the statements therein, in the light of the circumstances under which they were made or in the context of the issue and offering of the Bonds, not misleading.

The Issuer has prepared this Offering Circular solely for use in connection with the proposed offering of the Bonds described in this Offering Circular. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of Huatai Financial Holdings (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited and Morgan Stanley Asia Limited (in alphabetical order) (together, the “

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

This Offering Circular is being furnished by the Issuer in connection with the offering of the

To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors or advisers or any person who controls any of them accepts any responsibility for the contents of this Offering Circular and assumes no responsibility for the contents, accuracy, completeness or sufficiency of any such information or for any other statement, made or purported to be made by the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors or advisers or any person who controls any of them or on their behalf in connection with the Issuer, the Group or the issue and offering of the Bonds or the H Shares. Each of the Joint Lead Managers, the Trustee and the Agents and their respective affiliates, officers, employees, agents, representatives, directors and advisers or any person who controls any of them accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Offering Circular or any such statement. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors or advisers or any person who controls any of them undertakes to review the results of operations, financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Offering Circular or to advise any investor or prospective investor in the Bonds of any information coming to the attention of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors or advisers or any person who controls any of them.

In connection with the offering of the Bonds, the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer, may act as investors and place orders, receive allocations and trade the Bonds for their own account and such orders, allocations or trading of the Bonds may be material. These entities may hold or sell such Bonds or purchase further Bonds for their own account in the secondary market or deal in any other securities of the Issuer, and therefore, they may offer or sell the Bonds or other securities otherwise than in connection with the offering of the Bonds. Accordingly, references herein to the offering of the Bonds should be read as including any offering of the Bonds to the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer as investors 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 applicable legal or regulatory requirements. If such transactions occur, the trading price and liquidity of the Bonds may be impacted.

Each prospective investor acknowledges that the H Shares are listed on the Hong Kong Stock Exchange and the Issuer is therefore required to publish certain business and financial information in accordance with the rules and practices of the Hong Kong Stock Exchange, which includes, among other things, descriptions of the Group's principal activities, and the financial statements and other information relating to the Group which is necessary to enable holders of the H Shares and the public to appraise the position of the Issuer and the Group, and each prospective investor is able to obtain or access such information without undue difficulty.

Prospective investors should not construe anything in this Offering Circular as legal, business or tax advice. Each prospective investor should determine for itself the relevance of the information contained in this Offering Circular and consult its own legal, business and tax advisers as needed to

Listing of the Bonds on the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Issuer, the Group, the Bonds or the Shares. In making an investment decision, prospective investors must rely on their examination of the Issuer, the Group and the terms of this Offering, including the merits and risks involved. The Bonds have not been approved or recommended by any Hong Kong or other regulatory authority. Furthermore, the contents of this Offering Circular have not been reviewed by any Hong Kong or other regulatory authority. The

Notice to Capital Market Intermediaries and Prospective Investors Pursuant to Paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to Prospective Investors

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

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

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e., two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Joint Lead Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Joint Lead Manager 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 this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order." If a prospective investor is otherwise affiliated with any Joint Lead Manager, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Joint Lead Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order." Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to this offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to this offering.

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

Industry and Market Data

Market data and certain information and statistics included in this Offering Circular have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although the Issuer believes the information to be reliable, it has not been independently verified by the Issuer, the Joint Lead Managers, the Trustee or the Agents or their respective affiliates, directors, officers, employees, agents, advisers or representatives or any person who controls any of them and none of the Issuer, the Joint Lead Managers, the Trustee or the Agents or their respective affiliates, directors, officers, employees, agents, advisers or representatives or any person who controls any of them makes any representation as to the accuracy or completeness of such information. In addition, third party information providers may have obtained information from market participants and such information may not have been independently verified. In making an investment decision, each investor must rely on its own examination of the Issuer, the Group and the terms of the offering and the Bonds, including the merits and risks involved. Where information has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and that, as far as the Issuer is aware and is able to ascertain from information published by third parties, no facts have been omitted which would render the reproduced information to be inaccurate or misleading.

CERTAIN DEFINED TERMS AND CONVENTIONS

This Offering Circular has been prepared using a number of conventions, which you should consider when reading the information herein. The terms the "**Company**" or the "**Issuer**" are referring Zoomlion Heavy Industry Science and Technology Co., Ltd. and the term the "**Group**" is ".S".S".SAm.8(ca.)S"i

References to the "**PRC**" and "**China**", for the purposes of this Offering Circular, except where the context requires, do not include Hong Kong, the Macau Special Administrative Region of the People's Republic of China ("**Macau**") and Taiwan. "**PRC government**" or "**State**" means the central government of the PRC, including all political subdivisions (including provincial, municipal and other regional or local governmental entities) and instrumentalities thereof, or, where the context requires, any of them.

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

In this Offering Circular, unless the context otherwise requires, all references to "**affiliate**" are to a person or entity directly or indirectly controlled by, or under the direct or indirect common control of, another person or entity; all references to "**subsidiary**" are used with the meaning ascribed to it in the Listing Rules.

Unless the context otherwise requires, references to "**2023**" and "**2024**" in this Offering Circular are to the Group's financial years ended 31 December 2023 and 2024, respectively.

PRESENTATION AND INCORPORATION OF FINANCIAL INFORMATION

The Company's consolidated statements of comprehensive income and consolidated statements of financial position as at and for the years ended 31 December 2022, 2023 and 2024 have been extracted from the consolidated financial statements of the Company for the years ended 31 December 2023 and 2024 contained in the Company's 2023 annual report ("**2023 Annual Report**") and the Company's 2024 annual report ("**2024 Annual Report**"), respectively, which have been audited by KPMG, the independent auditors of the Company. Such consolidated financial statements are prepared in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board ("**IASB**") ("**IFRS Accounting Standards**"). See "*Summary Consolidated Financial Data*" for details.

The Company's consolidated statements of comprehensive income for the six months ended 30 June 2024 and 2025 and consolidated statements of financial position as at 30 June 2025 have been extracted from the consolidated interim financial statements of the Company from the Company's 2025 interim report ("**2025 Interim Report**"), which have not been audited but reviewed by KPMG, the independent auditors of the Company. Such consolidated interim financial statements are prepared in accordance with the International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" issued by the IASB. See "*Summary Consolidated Financial Data*" for details.

The audited consolidated financial statements of the Group (including the related audit reports and the notes thereto) which are contained in pages 129 to 268 of the 2023 Annual Report and pages 140 to 275 of the 2024 Annual Report and the unaudited but reviewed consolidated financial statements of the Group (including the related review reports and the notes thereto) which are

FORWARD-LOOKING STATEMENTS

This Offering Circular includes "forward-looking statements." All statements contained in this Offering Circular that are not statements of historical fact constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms, such as "anticipate," "believe," "can," "could," "estimate," "expect," "intend," "may," "plan," "will" and "would," or similar words or the negatives thereof. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our expected financial condition, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategies, revenue and profitability, planned projects and other matters discussed in this Offering Circular regarding matters that are not historical fact. These forward-looking statements and any other projections contained in this Offering Circular (whether made by the Group or by any third party) involve known and unknown risks, including those disclosed under the caption "*Risk Factors*," uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause our actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- our business prospects;
- our ability to maintain relationship with, and the actions and developments affecting, our major customers and suppliers;
- future developments, trends and conditions in the industries and markets in which we operate;
- general economic, political and business conditions in the markets in which we operate;
- changes to the regulatory environment in the industries and markets in which we operate;
- the ability of third parties to perform in accordance with contractual terms and specifications;
- our ability to retain senior management and key personnel, and recruit qualified staff;
- our business strategies and plans to achieve these strategies, including our expansion plans;
- the actions of and developments affecting our competitors;
- our ability to reduce costs and offer competitive prices;
- change or volatility in interest rates, foreign exchange rates, equity prices, trading volumes, commodity prices and overall market trends;
- capital market developments; and
- other factors beyond our control.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in "*Risk Factors*" and elsewhere in this Offering Circular. The Company cautions investors not to place undue reliance on these forward-looking statements which reflect their management's view only as at the date of this Offering Circular. The Company does not have any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Offering Circular might not occur.

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SUMMARY

This summary does not contain all the information that may be important to you in deciding to invest in the Bonds. You should read the entire offering circular, including the section entitled "Risk Factors" and our consolidated financial statements and related notes thereto, before making an investment decision.

OVERVIEW

Following the core concept of "building up enterprises with Internet thinking and producing products by pushing everything to the limit", the Company has unswervingly committed itself to the goal of high-quality development and worked harder on the three transformation initiatives of "related diversification, globalization and digitization". By seeking high-quality development powered by technological innovation, the Company refreshed its efforts to advance the transformation and upgrading of digitization, intelligence and green operations. The Company continued to deepen its traditional strengths while accelerating the cultivation and expansion of emerging business sectors. Through a comprehensive global market expansion strategy, this has unlocked new growth opportunities for the Company, enabling it to navigate economic cycles and achieve robust, sustainable, and high-quality development.

During the six months ended 30 June 2025, the main work carried out by the Company was as follows:

1. Accelerating the construction of industrial echelons and promoting the coordinated development of all sectors: the Company accelerated the diversification of its industrial sectors to seek a pattern of synergistic integration and competitive development where traditional advantageous industries and emerging industries integrate and thrive together. The Company further strengthened strategic execution to ensure the effective implementation of its overall strategy. The traditional advantageous industries have been improving their competitiveness, laying a solid foundation for development, while the emerging industries have accelerated to thrive and shape new growth poles.

2. Implementing the global footprint strategy which helps to deepen the development in global markets: The Company has firmly implemented the international development strategy with Zoomlion's characteristics, and continuedwitm ofofZooectors.system.*8Tvui(Rel5.9(sosTvu

4. Intelligent manufacturing industry clusters have been taking shape to lead the sustained high-quality development of the industry: Holding fast to its “digital, intelligent and green” development strategy, the Company has accelerated the upgrade of high-end intelligent manufacturing. Intelligent industrial parks, intelligent plants and intelligent production lines have been rolled out in succession, while cutting-edge research in advanced intelligent manufacturing has rapidly converted into commercial applications. “End-to-end” digital transformation has been deepened across the board, rapidly forging an industry-leading cluster of intelligent manufacturing. These initiatives have firmly established the Company as a benchmark for intelligent manufacturing and cemented its leadership in advantaged intelligent manufacturing sectors and continue to put the industry on track for high-quality development.

On 30 October 2025, pursuant to the new Company Law of the People's Republic of China (the "**New Company Law**"), the Guidelines for the Articles of Association of Listed Companies (the "**Guidelines**") and relevant laws, regulations and normative documents, the Board has determined (i) that it will dispense with the supervisory board and supervisors, whose functions and powers under the New Company Law will be assumed by the audit committee of the Board and (ii) to make corresponding amendments and other housekeeping changes (the "**Proposed Amendments**") to the articles of association of the Company. Please refer to Appendix of the announcement of the Company dated 30 October 2025 for details of the Proposed Amendments. In view of the Proposed Amendments, the Company has adopted corresponding changes to the respective terms of reference of the audit committee, the nomination committee and the remuneration and assessment committee of the Company. The Proposed Amendments to the Articles have been approved by the shareholders at our extraordinary general meeting held on 11 December 2025.

On 30 October 2025, the Board announced the unaudited results of the Company for the nine months ended 30 September 2025 (the "**Third Quarterly Report of 2025**"). For the nine months ended 30 September 2025, the Company recorded a slight decline in its domestic revenue but its overseas revenue experienced a significant increase. The financial data contained in the Third Quarterly Report of 2025 has been prepared in accordance with China Accounting Standards for Business Enterprises and is unaudited. Please refer to the announcement of the Company dated 30 October 2025 for details.

On 8 December 2025, the Board announced that the acquisition of 81% in aggregate of the registered capital of Zoomlion Finance and Leasing (Beijing) Co., Ltd.* (中聯重科融資租賃(北京)有限公司) (the "**Target**") has been approved by the local financial supervision and administration bureau in Beijing, the PRC and the industrial and commercial registration of the change in ownership of the Target with the relevant PRC administration of market regulation was completed on 5 December 2025. Following said completion, the Target has become a wholly-owned subsidiary of the Company, and its results will be consolidated into the Company's financial statements.

GENERAL INFORMATION

The Company is a joint stock limited company established in accordance with the Company Law and other relevant laws, administrative regulations and rules of the PRC. The A Shares of the Issuer were listed on the Shenzhen Stock Exchange on 12 October 2000 and the H Shares of the Issuer were listed on the Hong Kong Stock Exchange on 23 December 2010. Our registered address and place of business are located at No. 361 Yinpen South Road, Changsha, Hunan Province, PRC. Our website is http://www.zoomlion.com/. Information contained on our website does not constitute part of this Offering Circular.

THE OFFERING

The following is a brief summary of the terms of this offering and is qualified in its entirety by the remainder of this Offering Circular. The terms and conditions of the Bonds prevail to the extent of any inconsistency set forth in this section. This summary is not intended to be complete and does not contain all of the information that is important to an investor. Words and expressions defined in "Terms and Conditions of the Bonds" and "Summary of Provisions Relating to the Bonds in Global Form" shall have the same meanings in this summary. For a more complete description of the terms of the Bonds, see "Terms and Conditions of the Bonds" in this Offering Circular.

Issuer	Zoomlion Heavy Industry Science and Technology Co., Ltd.
Bonds	RMB6,000,000,000 in aggregate principal amount of 0.70 per cent. U.S. dollar settled convertible bonds due 2031 convertible at the option of the holder thereof into fully paid H Shares of the Issuer.
A Shares	ordinary domestic shares of RMB1.00 each issued by the Issuer which are traded in Renminbi on the Shenzhen Stock Exchange (the "

Negative Pledge	The Bonds will contain a negative pledge provision as further described in Condition 3.1 (*Negative Pledge*) of the Terms and Conditions.
Status of the Bonds	The Bonds will constitute direct, unsubordinated, unconditional and (subject to the provisions of Condition 3.1 (*Negative Pledge*) of the Terms and Conditions) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 3.1 (*Negative Pledge*) of the Terms and Conditions, at all times rank at least equally

Conversion Right and Period	Subject as otherwise provided in the Terms and Conditions, Bondholders have the right to convert their Bonds into H Shares credited as fully paid at any time during the Conversion Period referred to below (the "**Conversion Right**"). Subject to and upon compliance with the Terms and Conditions (including without limitation Condition 5.1.4 (*Revival and/or survival after Default*) of the Terms and Conditions), the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time on or after the 41st day after the Issue Date up to the close of business (at the place where the certificate evidencing such Bond is deposited for

Final Redemption

Unless previously redeemed, converted or purchased and cancelled as provided in the Terms and Conditions, the Issuer will redeem each Bond at the U.S. Dollar Equivalent (as defined in the Terms and Conditions) of 105.73 per cent. of its principal amount, together with the U.S. Dollar Equivalent of accrued and unpaid interest thereon on the Maturity Date. The Issuer may not redeem the Bonds at its option prior to that date except as provided in Condition 7.2 (*Redemption at the Option of the Issuer*) of the Terms and Conditions or Condition 7.3 (*Redemption for Taxation Reasons*) of the Terms and Conditions (but without prejudice to Condition 9 (*Events of Default*) of the Terms and Conditions).

See "*Terms and Conditions of the Bonds – Redemption, Purchase and Cancellation – Maturity.*"

Redemption for Taxation Reasons

At any time the Issuer may, having given not less than 30 nor more than 60 days' notice to the Trustee, the Principal Agent and the Bondholders (which notice shall be irrevocable) redeem all but not some only of the Bonds at the U.S. Dollar Equivalent of the Early Redemption Amount, together with the U.S. Dollar Equivalent of interest accrued and unpaid thereon to but excluding the date fixed for redemption, if the Issuer satisfies the Trustee immediately prior to the giving of such notice that (i) the Issuer has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 8 (*Taxation*) of the Terms and Conditions as a result of any change in, or amendment to, the laws or regulations of the PRC or Hong Kong or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 28 January 2026, and (ii) such obligation cannot be avoided by the Issuer taking rD[(S7i8g)-380.7mrDurmes to nt, provided that such of shall given Eariher oulnd bd obliged to pay such Ad Tax Amounts pamlentinofterBondsteinterIssuer its axs each Bondholdeh shall hves hen to thatitsBondsshallnotbdredeeme.dBondholdeh such the Terms and Conditions nyr pamlenws after the rlevaent of redemption shall be sujfecn to any or witdholking of anyaxation rEqurred to be or witheld.r See "*of ter Redemption for Taxation Reason.s*

Redemption at the Option of the Issuer

The Issuer may, having given not less than 30 but not more than 60 days' notice (an "**Optional Redemption Notice**") to the Bondholders, the Trustee and the Principal Agent (which notice will be irrevocable), redeem all but not some only of the Bonds at the U.S. Dollar Equivalent of the Early Redemption Amount,

Lock up	The Issuer has undertaken in the Subscription Agreement (as defined below) that neither the Issuer nor any person acting on its behalf will: (i) issue, offer, sell, pledge, encumber, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares or securities of the same class as the Bonds or the Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Bonds, the Shares or securities of the same class as the Bonds, the Shares or other instruments representing interests in the Bonds, the Shares or other securities of the same class as them; (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares; (iii) enter into any transaction with the same economic effect as, or which is designed to, or which may be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (i), (ii) or (iii) is to be settled by delivery of Shares or other securities, in cash or otherwise; or (iv) announce or otherwise make public an intention to do any of the foregoing, in any such case without the prior written consent of the Joint Lead Managers between the date of the Subscription Agreement and the date which is 90 days after the Issue Date (both dates inclusive), except for (a) the Bonds and the H Shares issued on conversion of the Bonds; or (b) any Shares or other securities (including rights or options) which are issued, offered, exercised, allotted, appropriated, modified or granted to, or for the benefit of employees (including directors) of the Issuer or any of its subsidiaries pursuant to any employee share scheme or plan existing as at the date of the Subscription Agreement. For the purposes of (i)-(iv), "**Shares**" means (a) H Shares; (b) A Shares; and (c) any other fully-paid and non-assessable shares of any class or classes of the ordinary shares of the Issuer authorised after the date of the Subscription Agreement which have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer.
Events of Default	The Bonds will contain events of default as further described in "*Terms and Conditions – Events of Default*".

Further Issues	The Issuer may from time to time, without the consent of the Bondholders, create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date and the timing for complying with the requirements set out in these Conditions in relation to the Initial NDRC Post-Issuance Filing (as defined in the Terms and Conditions) and the CSRC Post-Issuance Filings (as defined in the Terms and Conditions)) and so that such further issue shall be consolidated and form a single series with the Bonds. Such further bonds shall be constituted by a deed supplemental to the Trust Deed. See "*Terms and Conditions – Further Issues*".
Clearing	The Bonds will initially be evidenced by a Global Certificate in registered form, which will be registered in the name of a nominee of, and shall be deposited on or about the Issue Date with a common depositary on behalf of, Euroclear and Clearstream. Beneficial interests in the Global Certificate will be shown on, and transfer thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described in this Offering Circular, individual certificates for Bonds will not be issued in exchange for interests in the Global Certificate.
Governing Law	English law.
Jurisdiction:	Exclusive jurisdiction of Hong Kong courts.
Legal Entity Identifier	529900QZ3EMAU0QKFK85
ISIN	XS3279617560
Common Code	327961756
Listing and Trading of the Bonds	Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issues to Professional Investors only and the listing of, and permission to deal in, the Bonds is expected to become effective on 6 February 2026.
Listing of H Shares	The H Shares are listed on the Hong Kong Stock Exchange. Application will be made to the Hong Kong Stock Exchange for the listing of the H Shares issuable upon conversion of the Bonds.
Trustee	The Hongkong and Shanghai Banking Corporation Limited

Registrar	The Hongkong and Shanghai Banking Corporation Limited
Principal Paying Agent, Principal Conversion Agent and Transfer Agent	The Hongkong and Shanghai Banking Corporation Limited
Rating of the Bonds	The Bonds are not, and are not expected to be, rated by any rating agency.

Selling Restrictions

SUMMARY CONSOLIDATED FINANCIAL DATA

The Company's consolidated statements of comprehensive income and consolidated statements of financial position as at and for the years ended 31 December 2022, 2023 and 2024 have been extracted from the consolidated financial statements of the Company for the years ended 31 December 2023 and 2024 contained in the 2023 Annual Report and the 2024 Annual Report, respectively, which have been audited by KPMG, the independent auditors of the Company, and incorporated by reference in this Offering Circular. Such consolidated financial statements are prepared in accordance with the IFRS Accounting Standards.

The Company's consolidated statements of comprehensive income for the six months ended 30 June 2024 and 2025 and consolidated statements of financial position as at 30 June 2025 have been extracted from the consolidated interim financial report of the Company from the 2025 Interim Report, which have not been audited but reviewed by KPMG, the independent auditors of the Company, and incorporated by reference in this Offering Circular. Such consolidated interim financial report is prepared in accordance with the IAS 34 "Interim Financial Reporting" issued by the IASB.

Potential investors must exercise caution when using such data to evaluate our financial condition and results of operations. Our audited consolidated financial statements have been prepared and presented in accordance with the IFRS Accounting Standards, which differ in certain respects from GAAP in other jurisdictions. The summary financial data below should be read in conjunction with, and is qualified in its entirety by reference to, our audited consolidated financial statements and the accompanying notes incorporated by reference in this Offering Circular.

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	For the year ended 31 December			For the six months ended 30 June	
	2022	2023	2024	2024	2025
		(Audited)		(Unaudited)	
			(RMB millions)		
Revenue	41,631	47,075	45,478	24,535	24,855
Cost of sales and services	(32,543)	(34,109)	(32,668)	(17,589)	(17,859)
Gross Profit	9,088	12,966	12,810	6,946	6,996
Other net income	982	935	1,162	930	904
Sales and marketing expenses	(2,635)	(3,557)	(3,721)	(1,902)	(2,098)
General and administrative expenses	(2,400)	(2,274)	(2,585)	(1,340)	(1,284)
Expected credit losses	(446)	(794)	(570)	(377)	(273)
Research and development expenses	(2,507)	(3,441)	(2,769)	(1,306)	(1,412)
Profit from operations	2,082	3,835	4,327	2,951	2,833
Net finance income/(costs)	300	284	(28)	(119)	392
Share of profits less losses of associates	130	153	84	25	59
Profit before taxation	2,512	4,272	4,383	2,857	3,284
Income tax	(86)	(457)	(374)	(322)	(396)
Profit for the year/period	2,426	3,815	4,009	2,535	2,888
Profit attributable to:					
Equity shareholders of the Company	2,347	3,550	3,521	2,281	2,753
Non-controlling interests	79	265	488	254	135
Earnings per share (RMB)					
Basic	0.28	0.43	0.41	0.28	0.32
Diluted	0.28	0.43	0.41	0.27	0.32

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December			As at 30 June
	2022	2023	2024	2025
		(Audited)		(Unaudited)
		(RMB millions)		
Non-current assets				
Property, plant and equipment	13,903	17,364	20,577	21,688
Right-of-use assets	3,995	3,621	3,625	3,054
Investment properties	161	90	56	56
Intangible assets	1,926	1,988	2,019	2,235
Goodwill	2,562	2,641	2,580	2,739
Interests in associates	4,476	4,497	4,484	4,451
Other financial assets	2,263	2,669	2,017	1,809
Trade receivables and contract assets	11,829	10,882	6,828	6,261
Receivables under finance lease	6,456	6,120	3,835	3,216
Loans and advances	277	568	469	497
Pledged bank deposits	160	76	107	95
Deferred tax assets	1,907	2,303	2,637	2,592
Total non-current assets	49,915	52,819	49,234	48,693
Current assets				
Inventories	14,203	22,504	22,564	23,391
Other current assets	1,040	708	565	439
Financial assets at fair value through profit or loss ("**FVPL**")	4,011	1,767	1,622	1,571
Trade and other receivables and contract assets	33,962	32,033	32,400	38,879
Receivables under finance lease	4,717	4,843	3,328	2,989
Loans and advances	170	280	279	311
Pledged bank deposits	1,708	2,265	1,565	1,652
Cash and cash equivalents	13,791	13,606	12,155	11,271
Total current assets	73,602	78,006	74,478	80,503
Total assets	123,517	130,825	123,712	129,196
Current liabilities				
Loans and borrowings	11,018	7,377	10,837	8,734
Financial liabilities at FVPL	–	9	22	9
Trade and other payables	35,259	40,513	29,763	33,807
Contract liabilities	1,892	1,817	1,901	1,973
Lease liabilities	117	126	154	143
Income tax payable	107	154	310	346
Total current liabilities	48,393	49,996	42,987	45,012
Net current assets	25,209	28,010	31,491	35,491
Total assets less current liabilities	75,124	80,829	80,725	84,184
Non-current liabilities				
Loans and borrowings	10,962	14,944	15,412	20,355
Lease liabilities	355	308	362	282
Deferred tax liabilities	842	807	696	777
Other non-current liabilities	6,026	5,639	4,453	3,430
Total non-current liabilities	18,185	21,698	20,923	24,844
NET ASSETS	56,939	59,131	59,802	59,340

	As at 31 December			As at 30 June
	2022	2023	2024	2025
		(Audited)		(Unaudited)
		(RMB millions)		
CAPITAL AND RESERVES				
Share capital	8,678	8,678	8,678	8,649
Reserves	46,027	47,693	48,423	48,458
Total equity attributable to equity shareholders of the Company	54,705	56,371	57,101	57,107
Non-controlling interests	2,234	2,760	2,701	2,233
TOTAL EQUITY	56,939	59,131	59,802	59,340

Certain of our products are sold through third-party dealers and the failure to maintain relationships with our existing dealers, attract additional dealers or effectively manage our dealers may materially and adversely affect our business.

We typically enter into one-year agreements with our domestic dealers and one- to two-year agreements with our international dealers. As our existing agreements expire, we may be unable to renew these agreements with our dealers on favorable terms or at all. Competition for dealers is intense, as we must compete for dealers in China and internationally with other leading construction machinery manufacturers. Such competitors may benefit from higher visibility, greater brand recognition and financial resources and a broader product offering than we do, providing them with a competitive advantage in securing dealers. Our competitors may also enter into long-term and/or exclusive agreements that effectively prevent their dealers from selling our products. Consequently, engaging new dealers, maintaining relationships with existing dealers and replacing dealers can be difficult, disruptive to our operations and time-consuming. Any disruption to our distribution network, including a failure on our part to renew our existing agreements with our preferred dealers or to attract new dealers, could negatively affect our ability to effectively sell our products, provide adequate and timely aftersales services to our custua44.reeustuadealeuldbusf362.9(bus7.4(and)-582.9(adversely)-36*

The risks and uncertainties for various payment options, including credit sales, installment payments, financial guarantees and finance lease services could become more acute in times of an economic slowdown or recession and may result in increased delinquencies, foreclosures and losses. Litigation and servicing costs may also increase as a result. In the event of such delinquencies or foreclosures, equipment for which the customer defaults on relevant payments is typically repossessed. However, repossessed equipment may be in poor condition, with a value below that of the defaulted debts. If we are not able to manage the credit risks, market risks, liquidity risks and other risks associated with finance lease services and/or other payment options, our financial condition, results of operation and cash flow may be materially and adversely affected.

In addition, we currently hold licenses and/or permits to provide finance lease services in various jurisdictions. The withdrawal or suspension of such licenses, permits and approvals, or the imposition of any penalties, as a result of infringement of any regulatory requirements may have an adverse impact on our Group's business and results of operations. Moreover, in markets in which our Group operates, such as the PRC, licensing requirements are subject to changes. There is no assurance that we will be able to continue to satisfy the requirements for, or otherwise obtain, such licenses, permits or approvals for current and future projects. The failure to obtain, maintain or renew our licenses, permits and approvals from the government in connection with our finance lease services may impede or hinder our operations and may adversely affect our results of operations and financial condition.

We face risks associated with our global scale of operations, and if we are unable to effectively manage these risks, they could impair our ability to maintain our business abroad.

Over the years, we have expanded our scale of operations globally. With manufacturing facilities and distribution and service network established overseas, we are exposed to a number of risks, including:

- difficulty in managing multinational operations;
- difficulty with staffing and managing overseas operations, including managing employees on a global basis and complying with the various labor regulatory requirements of the different jurisdictions;
- fluctuations in currency exchange rates;
- increased costs associated with maintaining marketing and selling efforts, overseas offices providing adequate after-sales services and timely delivery of parts and components in various countries;
- difficulty in maintaining relationships with dealers with strong local presence;
- challenges in providing customer services and support in overseas markets;
- challenges in managing our sales channels and overseas distribution network effectively;
- unexpected transportation delays or interruptions or increases in international transportation costs;

- difficulties in and costs of exporting products overseas while complying with the different commercial, legal and regulatory requirements of the overseas markets in which we offer our products;

- failure to establish appropriate risk management and internal control structures tailored to overseas operations;

- difficulty in collecting receivables from international customers;

- difficulty in ensuring the compliance of our dealers and customers with the sanctions imposed by OFAC on various foreign states, organizations and individuals;

- inability to obtain, maintain or enforce intellectual property rights;

- inability to effectively enforce contractual or legal rights or intellectual property rights in certain jurisdictions under which we operate;

- changes in a specific country or region's political or economic conditions or policies;

- unanticipated changes in prevailing economic conditions and regulatory requirements; and

- governmental policies favoring domestic companies in certain foreign markets or trade barriers including export requirements, tariffs, taxes and other restrictions and charges. These government policies or trade barriers could increase the prices of our products and make us less competitive in such countries.

If we are unable to effectively manage these risks, our ability to maintain our business abroad

In addition, the integration of the operations and corporate culture of any acquired business requires significant efforts, including the integration of accounting and internal control systems, consolidation of information technology systems, alignment of manufacturing, sales and distribution networks, and the reallocation of research and development and financial resources. Our efforts to integrate the operations of any acquired business with our existing operations and our ability to execute integration plans for an acquired business may be affected and in some cases even limited by applicable laws and regulations. Successful integration of acquired businesses depends in part on our ability to manage the combined operations, to realize opportunities for turnover growth presented by broader product offerings and expanded geographic coverage and to eliminate redundant and excessive costs. Successful integration also requires us to manage the cultural and language related differences between various geographic locations and diverse organizational cultures. Furthermore, the integration of acquired businesses into our operations involves a number of other risks, including, but not limited to, demands on management and diversion of their attention; unforeseen or hidden liabilities, including exposure to unforeseen lawsuits or disputes associated with newly acquired companies or businesses; management of employee relations; and increases in regulatory compliance costs relating to the acquired businesses. If our integration efforts for any acquired businesses are not successful, we may not be able to realize the expected business and operational synergies, efficiencies and other benefits and our competitive position could suffer as a result. In addition, if we do not realize the expected synergies from our acquisitions or, if for any reason, our acquisitions do not perform as expected, we may incur unexpected impairment charges, which would have a material and adverse effect on our financial condition and results of operations.

Our success depends in part on our ability to enhance our manufacturing capabilities, which is subject to risks and uncertainties.

Our Group's continued success over the years is ascribed to our ability to enhance our manufacturing capabilities, which include expanding our manufacturing capacity, improving our manufacturing efficiency or modifying our manufacturing lines to meet the varying demands for our products. If we are unable to do so, we may not be able to achieve the desired level of economies of scale in our operations, to reduce manufacturing costs to the level that will allow us to compete effectively or to maintain our pricing and other competitive advantages. Our ability and efforts to enhance our manufacturing capabilities are subject to significant risks and uncertainties, including:

- our ability to obtain funding for the additional capital expenditures, working capital and other corporate requirements to be used to enhance our manufacturing capabilities. We may be unable to obtain such funds in a timely manner or on commercially reasonable terms or at all;

an adequate inventory level of our products or manufacture our products in a timely manner, and may lose sales and market share to our competitors. On the other hand, we may also be exposed to increased inventory risks due to accumulated excess inventory of our products or raw materials, parts and components for our products. Excess inventory levels may increase our inventory holding costs, risk of inventory obsolescence, markdown allowances or write-offs.

Our research and development efforts may not yield the benefits that we expect and we may not be able to introduce market-leading products and maintain the competitiveness of our product offerings.

In order to maintain and increase our current competitive position and to continue to grow our business, we need to continuously introduce market-leading products. The market for our products is characterized by continuous technological developments and innovation to provide better product

countries may be defeated by third-party patents issued on a later date but applied for earlier than ours. Additionally, the existence of a patent does not provide assurance that the manufacturing, sale or use of our products does not infringe upon others' patent rights. Third parties may also have blocking patents that might be used to prevent us from marketing our own patented products or utilizing our patented technologies or processes. As it may take years for patent applications to be approved, there may be pending applications, known or unknown to us, that may later result in issued patents upon which we may infringe. Therefore, we may initiate lawsuits in order to defend our ownership or proprietary design of our products and trade secrets, or we may be subject to litigation brought by third parties based on claims that we have infringed upon their intellectual property rights or that we have misappropriated the trade secrets of others, either of which scenarios will be time-consuming and costly to defend. We cannot assure you that we can achieve a favorable outcome in any such litigation. If we are unable to protect our patents, trademarks and other intellectual property rights or to successfully defend ourselves from infringement claims, our reputation, financial condition and results of operations may be materially and adversely affected.

Fluctuations in foreign currency exchange rates could adversely affect our business.

Our sales, costs of sales and services, expenses and our borrowings and loans are currently denominated primarily in Renminbi, Euros, U.S. dollars or Japanese Yen, while our financial statements are reported in Renminbi. As a result, fluctuations in exchange rates, particularly among the Renminbi, Euros, U.S. dollars, or the Japanese Yen could, affect our profitability and result in foreign currency exchange losses of our foreign currency denominated assets and liabilities. We cannot accurately predict the impact of exchange rate fluctuations on our results of operations and may incur net foreign currency losses that may have a material and adverse effect on our financial condition and results of operations.

In addition, an appreciation in the value of the Renminbi against foreign currencies could increase the prices of certain of our products, thereby making them less appealing to our overseas customers, which could adversely affect our strategy to further expand the sales of our Zoomlion product lines in the overseas markets. On the other hand, depreciation in the value of the Renminbi against foreign currencies could result in an increase in the costs of certain raw materials, parts and components that are primarily sourced from overseas suppliers, such as branded chassis, which could in turn adversely affect our profit margin for certain products.

We are subject to product liability exposure which could harm our reputation and materially and adversely affect our business, financial condition and results of operations.

Our products can expose us to potential product liability claims if they fail to perform as expected, or are proven to be defective, or if their use causes, results in, or is alleged to have caused or resulted in personal injuries, project delays or damages or other adverse effects. Any product liability claim, whether relating to personal injuries or project delays or damages, or related regulatory actions could prove costly and time-consuming to defend and could potentially harm our brand reputation. If successful, product liability claims may require us to pay substantial damages. We currently do not maintain product liability insurance to cover potential product liability arising from the use of our products and may be unable to obtain sufficient product liability insurance coverage on commercially reasonable terms, or at all. Furthermore, certain product liability claims may be the result of defects from parts and components purchased from third party suppliers. Such third-party suppliers may not indemnify us for defects as to such parts and components or would only

provide us with limited indemnification that is insufficient to cover our damages resulting from the product liability claim. A product liability claim, with or without merit, may result in significant negative publicity and thus materially and adversely affect the marketability of our products and our reputation, as well as our business, financial condition and results of operations.

Moreover, a material design, manufacturing or quality related failure or defect in our automotive products or other safety issues could each warrant a product recall by us in the PRC and result in increased product liability claims. If authorities in the jurisdictions in which we sell our products decide that our products fail to conform to applicable quality and safety requirements and standards, including the vehicle safety, exhaust and performance standards for certain products of ours, we could be subject to regulatory actions. For example, in China, violation of PRC product quality and safety requirements may subject us to the confiscation of related earnings and relevant products, penalties, an order to cease sales of relevant products, or an order to cease operations pending the required rectification. Furthermore, if the violation is determined to be serious in nature, our business license to manufacture or sell relevant products could potentially be suspended or revoked, and in the worst scenario, we could be subject to criminal liability. In case of defects, we may be required to recall the defective products and effect any modification to render them safe before they can be distributed again on the market. Criminal liability can be triggered by violations of the general obligation to offer safe products or can arise from significant damages caused to the users of any defective products.

If we experience a significant number of warranty claims, our costs might increase substantially, and our reputation and brand name could suffer.

Our product warranty typically requires us to provide after-sales services that cover parts and labor for non-maintenance repairs, except that the repairs are caused by operator abuses or improper uses or negligence and are not attributable to normal wear and tear. Repair and replacement of certain parts and components of our products are not covered by us but are covered by the manufacturers of such parts and components, such as the branded chassis used in certain of our products. However, in the event that such third-party suppliers refuse to perform their warranty obligations or to indemnify us for providing warranty services to customers to repair such parts and components, we may incur additional warranty costs or incur costs may not be recovered. We accrue liabilities for potential warranty claims at the time of sale. Product warranty provisions as at 31 December 2023 and 2024 were RMB127 million, and RMB176 million, respectively. If we experience an increase in warranty claims or if our repair and replacement costs associated with warranty claims increase significantly, we may incur greater warranty costs. Moreover, an increase in warranty claims could substantially increase our costs and may result in a material adverse effect on our reputation, financial condition, results of operations and prospects.

Our business depends substantially on our senior management's continuing services and our ability to maintain a skilled labor force, and our business may be severely disrupted if we were to

Our ability to raise additional funds in the future is subject to a variety of uncertainties, including:

- our future financial condition, results of operations and cash flows;
- general market conditions for and investor sentiment towards capital-raising activities by China-based companies and/or construction machinery and environmental and sanitation machinery companies; and
- economic, political and various other conditions in China and elsewhere.

Although we have historically been able to obtain financing on commercially acceptable terms and in a timely manner, we cannot assure you that such financing will always be available in amounts or on terms acceptable to us, if at all, when we need to obtain external financing in the future. Without sufficient liquidity, we may be forced to curtail or delay our operational plans. Our future liquidity needs or other business requirements could necessitate the offering of additional equity or debt securities or the obtaining of bank loans. The sale of additional equity or equity-linked securities could result in additional dilution to our shareholders. The incurrence of additional debt would result in increased debt service obligations and could result in stricter or additional operating and financing covenants that would restrict our operations, financial flexibility, or our ability to distribute dividends.

We require a number of permits, licenses, registrations and certificates in order to carry on our business and the failure to obtain or maintain these permits, licenses, registrations and certificates could materially harm our business and prospects.

The manufacturing, export and sale of our products are subject to regulation in China and in countries where we conduct our business. For example, some of our products and/or businesses require special licenses or permits from or registrations with the relevant government authorities in

Our manufacturing processes generate noise, waste water, and gaseous and other industrial wastes and we are subject to national and local environmental regulations applicable to us in jurisdictions where we operate. In addition, we are required to comply with the relevant emission standards applicable to certain of our products. In the case of our noncompliance with present or future environmental regulations, we may be required to pay substantial fines and/or civil damages, suspend production or cease operations, and the management might even be subject to criminal liabilities under certain circumstances. We may also be subject to adverse publicity and damages to our brand name and reputation. Also, if more stringent regulations are adopted in the future, the costs of compliance with these new regulations could be substantial.

In addition, we currently do not carry any insurance for potential liabilities relating to the release of hazardous materials. If we are held liable for damages in the event of contamination or injury, it could have a material and adverse effect on our financial condition and results of operations.

We may continue to engage in certain sales of products to third-party dealers for end use by countries, governments, entities, or persons targeted by economic sanctions of the United States government, which may adversely affect our reputation and prevent U.S. persons from purchasing our H Shares, thereby potentially reducing our share price.

The U.S. government has enacted laws and regulations, including laws and regulations administered by the OFAC (the "**U.S. Economic Sanctions Laws**") that impose restrictions upon US persons with respect to activities or transactions with certain countries, governments, entities and individuals that are the subject of U.S. Economic Sanctions Laws (the "**Sanctions Targets**"). U.S. persons are also prohibited from facilitating such activities or transactions. We cannot assure you that we will not make any direct or indirect sales of our products to Sanctions Targets in the future. If such transactions occur, our reputation could be adversely affected, some of our investors in the United States may be required to sell their interests in our Company under the laws of certain U.S. states or under internal investment policies or may decide for reputational reasons to sell such interests, and some investors in the United States may forgo the purchase of our H Shares, all of which could have a material and adverse effect on the price of our H Shares and the value of your investment in us.

Our largest shareholder has substantial influence over our Company and its interests may not be aligned with the interests of our other shareholders.

The State-owned Assets Supervision and Administration Commission of Hunan Provincial People's Government ("**Hunan SASAC**") has substantial influence over our business, including decisions regarding investments, mergers, dividend plans, future issuance of securities, consolidations and the sale or partial sale of all or substantially all of our assets, election of directors and other significant corporate actions. The interests of Hunan SASAC may not always coincide with the best interests of our other shareholders or our Company. This concentration of ownership may discourage, delay or prevent any change in control of our Company, which could deprive our Shareholders of an opportunity to receive a premium for their shares as part of a sale of our Company and might negatively impact the price of our H Shares.

We enjoy certain government grants and incentives and the expiration of, or changes to, these incentives may materially and adversely affect our business, financial position and results of operations.

We and several of our subsidiaries have enjoyed preferential tax treatments and/or received government grants relating to the development of construction machinery, such as refund of value-added tax and subsidy for technological improvement, research and development projects. Such qualification is subject to periodic review, and we and our subsidiaries may not be able to continue enjoying the preferential tax rate. If there are any changes in the preferential tax treatment that we currently enjoy and in the incentives that we currently receive, our financial condition and results of operations may be materially and adversely affected.

We may incur additional costs, experience manufacturing disruptions or fail to satisfy our contractual requirements if we were forced to relocate as a result of any disputes over the title or ownership rights of the properties we own or lease.

Properties owned or leased by our Group primarily comprise manufacturing facilities, offices and ancillary buildings. We may not obtain such land use right certificates and building ownership certificates and the timing for obtaining such certificates is beyond our control. Before we get the land use right certificate of such land and the building ownership certificates of such buildings, our rights to such properties might not be entirely protected. Any dispute or claim related to the title of the properties owned or leased by us may result in us relocating our manufacturing facilities or offices. There is no assurance that we would be able to find alternative properties for our business on favorable terms or at all. Further, unplanned relocation may cause us to incur additional relocation costs and interrupt our production schedule. As a result, we may be unable to meet the output requirements under our sales contracts or otherwise meet our sales targets. All such consequences could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may be involved in legal proceedings and commercial disputes, which could have a material adverse effect on our business, financial condition and results of operations.

We may be subject to claims and various legal and administrative proceedings, and, as a result, penalties and new claims may arise in the future.

Regardless of the merit of particular claims, legal and administrative proceedings, such as litigations, injunctions and governmental investigations, may be expensive, time consuming or disruptive to our operations and distracting to management. In recognition of these considerations, we may enter into new or further agreements or other arrangements to settle litigation and resolve such disputes. No assurance can be given that such agreements can be obtained on acceptable terms or that litigation will not occur. These agreements may also significantly increase our operating expenses.

Further, if one or more legal or administrative matters were resolved against us or an indemnified third party for amounts in excess of our management's expectations or certain injunctions are granted, our business and financial conditions could be materially and adversely affected. Such an outcome could result in significant compensatory or punitive monetary damages, disgorgement of revenue or profits, remedial corporate measures, injunctive relief or specific performance against us that could materially and adversely affect our financial condition and results of operations.

RISKS RELATING TO OUR INDUSTRY

The industry in which we operate is highly dependent on the level and scale of construction activities which are subject to risks, fluctuations and uncertainties beyond our control.

A significant portion of our consolidated turnover is derived from the sales of our concrete machinery and crane machinery. Our business operations in those two sectors are directly tied to the prevailing levels of construction activities from industrial production, infrastructure projects and real estate investments, all of which are sensitive to government monetary and fiscal policies. Many of our customers depend substantially on government funding for infrastructure projects or municipal works, and any decrease or delay in such government funding or a decrease in overall government spending could have an adverse effect on our customers, which in turn may have a material and adverse effect on our business and results of operations. A substantial portion of the stimulus package was targeted spending on public infrastructure projects and affordable housing real estate projects. We cannot assure you that the level of such support from the central government will continue or will not decrease. Similarly, increases in interest rates affect overall economic growth, the demand for residential and nonresidential real estate developments, fixed asset investment decisions by our customers and the availability of financing and leasing options to our customers, which may also have a material and adverse effect on our business and results of operations. We cannot assure you that the interest rate will not increase in the future. A downturn in demand will result in excess inventories, un-utilized manufacturing capacity and reduced prices for new and used equipment. Such downturn

Some of our competitors, especially multinational companies, are larger than we are, which, in some cases, provides them with a competitive advantage with respect to brand recognition, economies of scale, access to financing and their ability to purchase raw materials, parts and components at lower prices. Our competitors may also be able to devote greater resources to research and development of technology, and design innovation and adapt more quickly to new or emerging technology and changes in customer demand and requirements. Furthermore, our competitors may be able to offer more flexible payment options than we do and/or more attractive purchasing terms. Current and potential competitors have established or may establish financial or strategic relationships among themselves or with existing or potential customers, suppliers and other third parties. Accordingly, new competitors or alliances among competitors might emerge and rapidly acquire significant market share. Our failure to maintain a competitive position with respect to pricing, product quality, brand name recognition, financial resources and technological advances,

In addition, our results of operations, financial conditions, business and future growth depend, to a large extent, on the global economic conditions. Over the past decade, inflation, currency and interest rate fluctuations, national fiscal and monetary policies, and other factors have adversely affected many countries and regions in which we operate. Any further severe economic decline in countries and regions where we operate could adversely affect our results of operations and future growth.

In addition, the global economic, political and social conditions are also evolving rapidly and subject to uncertainties. For example, health epidemics have caused significant downward pressure for the global economy. Geopolitical tension and conflicts, energy crisis, inflation risk, interest rate

We may be subject to the approval, filing or other requirement of the CSRC or other PRC governmental authorities in connection with our capital raising activities.

On 17 February 2023, the China Securities Regulatory Commission (中國證券監督管理委員會) (the "**CSRC**") released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) and supporting guidelines which became effective on 31 March 2023 (together, the "**CSRC Filing Rules**"). The CSRC Filing Rules will regulate both direct and indirect overseas offering and listing of PRC domestic companies' securities by adopting a filing-based regulatory regime. The CSRC Filing Rules state that, any post-listing follow-on offering by an issuer in an overseas market, including issuance of shares, convertible bonds and other similar securities, shall be subject to filing requirement within three business days after the completion of the offering. The Issuer has been advised that it is required to go through filing procedures with the CSRC after the completion of this Offering of the Bonds and for its future offerings and listing of its securities in an overseas market under the CSRC Filing Rules for this offering. The CSRC Filing Rules provide that an overseas offering and listing, including the follow-on offering of convertible bonds, is prohibited under any of the following circumstances: if (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) the domestic company intending to make the securities offering and listing, or its controlling shareholder(s) and the actual controller, have committed relevant crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the domestic company intending to make the securities offering and listing is currently under investigation for suspicion of criminal offences or major violations of laws and regulations, and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the domestic company's controlling shareholder(s) or by other shareholder(s) that are controlled by the controlling shareholder(s) and/or actual controller (the "**Forbidden Circumstances**"). In addition, in the process of filing, where the issuer may be under any of the Forbidden Circumstances, the CSRC may solicit the opinions of the competent government authorities under the State Council.

The Issuer will undertake to (i) file or cause to be filed with the CSRC within the relevant prescribed timeframes after the Issue Date the requisite information and documents in respect of the Bonds in accordance with the CSRC Filing Rules (which term for the avoidance of doubt, includes the Initial CSRC Post-Issuance Filing (as defined in the Terms and Conditions)), and (ii) comply with the continuing obligations under the CSRC Filing Rules and any implementation rules as issued by the CSRC from time to time. However, there can be no assurance that the Issuer will be able to meet such requirements or complete such filing in a timely manner or at all. In addition, it cannot be guaranteed that new rules or regulations promulgated in the future will not impose any additional requirements on the Issuer. If it is determined that the Issuer is subject to any approval, filing, other governmental authorization or requirements from the CSRC or other PRC government authorities, the Issuer may fail to obtain such approval or meet such requirements in a timely manner or at all. Such failure may subject the Issuer to fines, penalties or other sanctions which may have a material adverse effect on its business, operations and financial condition.

Furthermore, on 24 February 2023, the CSRC and other PRC government authorities released the Provisions on Strengthening the Confidentiality and Archives Administration Related to the Overseas Securities Offering and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "**Confidentiality Provisions**"), which came into effect on 31 March 2023. Pursuant to the Confidentiality Provisions, any future eILfeci(on)-538.5ore authorities by

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The Issuer obtained an NDRC Pre-issuance Registration Certificate from the NDRC on 26 January 2026 in accordance with Order 56, which is in full force and effect and has not been revoked by NDRC or any other relevant regulator as of the date of this Offering Circular. Failure to comply with the NDRC post-issue and continuing obligations (such as post-issue reporting, pre-issuance approval expiration reporting, periodical reporting and major event reporting, etc.) under articles 24 and 26 of Order 56 may result in the relevant entities being ordered to make corrections within a time limit, and in the case of aggravating circumstances or in the case that such corrections are not made within the prescribed time limit, relevant entities and their main person-in-charge will be warned. The aforesaid regulatory violations committed by enterprises shall be publicised on the "Credit China" website and the national enterprise credit information publicity system, among others.

The Issuer undertakes that it will within the relevant prescribed timeframes after the Issue Date file or cause to be filed with the NDRC the requisite information and documents in respect of the Bonds and comply with other reporting obligations in accordance with the Order 56 and any implementation rules, reports, certificates, approvals or guidelines as issued by the NDRC from time to time, including but not limited to, the Initial NDRC Post-Issuance Filing (as defined in the Terms and Conditions).

In accordance with the Foreign Debt Registration Measures (外債登記管理辦法) issued by SAFE on 28 April 2013, which came into effect on 13 May 2013 and as amended from time to time (the "**Foreign Debt Registration Measures**") and the Circular of the People's Bank of China on Issues Concerning the Overall Macro Prudential Management System for Cross-border Financing (中國人民銀行關於全口徑跨境融資宏觀審慎管理有關事宜的通知) (the "**Cross-Border Financing Circular**"), the Issuer shall complete foreign debt registration in respect of the issue of the Bonds with the local branches of SAFE in accordance with relevant laws and regulations. According to the Measures for the Administration of Cross-Border Capital Centralized Operation of Multinational Corporations (跨國公司跨境資金集中運營管理規定) issued by SAFE on 15 March 2019, the Circular on Matters Concerning the Integrated RMB and Foreign Currency Capital Pool Operations for Multinational Corporations (關於跨國公司本外幣一體化資金池業務有關事宜的通知) issued by the People's Bank of China and SAFE on 24 December 2025 and other applicable regulatory provisions, and based on the Issuer's inquiries with local SAFE, the issue of the Bonds shall be administered by reference to the relevant rules on foreign debt and shall consume the foreign debt quota allocated under the Issuer's integrated RMB and foreign currency capital patif36.8(')58(patiC6ines)-28dtiC6ines integratedi

Governmental regulation of currency conversion may limit our ability to make payments and other obligations, and affect the value of your investment.

The PRC government imposes regulations on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of the PRC requires approval or registration in accordance with regulatory requirements. We conduct our businesses mainly in mainland China, while we also operate certain businesses in other countries and regions worldwide, and may need to convert a portion of our cash and cash equivalents from Renminbi into other currencies in the future to meet our foreign currency obligations, including payments on the Bonds. Shortages in the availability of foreign currency may restrict the ability of the Group to remit sufficient foreign currency to satisfy their foreign currency denominated obligations.

Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior SAFE approval by complying with certain procedural requirements. However, approval from or registration with competent government authorities is required where Renminbi is to be converted into foreign currency and remitted out of the PRC to pay capital expenses such as the repayment of loans denominated in foreign currencies, or to remit funds offshore to make overseas investments. For example, for our funds repatriated to the PRC from overseas financing activities, we will need to complete certain filing or approval procedures to remit the funds out of the PRC for investment, acquisition or other capital account purposes. Any failure to complete these procedures may adversely impact our ability to carry out our overseas expansion. We cannot guarantee that additional regulatory requirements on the convertibility of the RMB into foreign currencies will not be imposed in the future, such as requirements due to foreign exchange policy adjustments in response to changes in global economic conditions. If the foreign exchange control system in the PRC prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to make payments in foreign currencies. Further, there is no assurance that new regulations will not be promulgated in the future that would have the effect of further restricting the remittance of Renminbi into or out of the PRC.

Increasing focus with respect to environmental, social and governance matters may impose additional costs on us or expose us to additional risks.

The PRC government and public advocacy groups have been increasingly focused on environment, social and governance, or ESG, issues in recent years, making our business more sensitive to ESG issues and changes in governmental policies and laws and regulations associated with environment protection and other ESG-related matters. Investor advocacy groups, certain institutional investors, investment funds, and other influential investors are also increasingly focused on ESG practices and in recent years have placed increasing importance on the implications and social cost of their investments. Regardless of the industry, increased focus from investors and the PRC government on ESG and similar matters may hinder access to capital, as investors may decide to reallocate capital or to not commit capital as a result of their assessment of a company's ESG practices. Any ESG concern or issue could increase our regulatory compliance costs. If we do not adapt to or comply with the evolving expectations and standards on ESG matters from investors and the PRC government or are perceived to have not responded appropriately to the growing concern for ESG issues, regardless of whether there is a legal requirement to do so, we may suffer from reputational damage and our business and financial condition could be materially and adversely effected.

We may be subject to complex and evolving laws and regulations and governmental policies regarding cybersecurity, privacy and data protection. Actual or alleged failure to comply with such laws and regulations could damage our reputation, deter current and potential customers from accessing our products and services and subject us to risks of litigation or administrative penalties or other significant legal, financial and operational consequences.

In recent years, cybersecurity, privacy and data protection have become an increasing regulatory focus of government authorities across the world. The PRC government has enacted a series of laws, regulations and governmental policies on cybersecurity, privacy and data protection in the past few years, to which our business may be subject.

As the regulatory requirements on privacy and data protection are relatively new and complex, and may therefore continue to evolve, we cannot assure you that our privacy and data protection measures are, and will be, always considered sufficient under applicable laws and regulations. In addition, some provisions under certain laws and regulations still remain at the principal level and lack specific interpretation up to date, especially to a specific case scenario. Additionally, the effectiveness of our privacy and data protection measures is also subject to system failures, interruptions, inadequacy, security breaches or cyberattacks. Any failure or perceived failure by us to comply with applicable laws and regulations on cybersecurity, privacy and data protection may result in governmental investigations, inquiries, enforcement actions and prosecutions, private claims and litigation, fines and penalties, adverse publicity or potential loss of business, which could damage our reputation, deter current and potential customers from accessing or using our products or services, lead to suspension of our non-compliant operations, and revocation of relevant business permits or licenses or otherwise subject us to significant legal, financial and operational consequences.

We expect that there may continue to be newly proposed laws, regulations, rules and industry standards concerning cybersecurity, privacy and data protection. The relevant developments in regulatory requirements and standards may increase our costs of compliance, delay or reduce demand for our products and services, and affect the way in which we operate, any of which could harm our business, financial condition and results of operations.

RISKS RELATING TO THE BONDS, THE H SHARES AND THE OFFERING

The Bonds will be unsecured obligations.

The Bonds will constitute direct, unsubordinated, unconditional and (subject to the provisions of Condition 3.1 (*Negative Pledge*) of the Terms and Conditions) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 3.1 (*Negative Pledge*) of the Terms and Conditions, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured 11a

If any of the above events occurs, the Issuer's assets and any amounts received from the sale of such assets may not be sufficient to pay amounts due on the Bonds.

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

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

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

Each potential investor in the Bonds 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 Bonds, the merits and risks of investing in the Bonds 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 Bonds and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds;

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

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

Additionally, the investment activities of certain investors are subject to investment laws and regulations that impose an approval requirement on or restrict certain investments. Each potential investor should consult its legal advisers to determine whether and to what extent (a) it is legally permitted to invest in the Bonds, (b) the Bonds can be used as collateral for applicable types of borrowing and (c) other restrictions apply to its purchase of any Bonds. Financial institution investors should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

For example, on 28 October 2024, the U.S. Department of Treasury issued the Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern to implement the Executive Order 14105, which came into effect on 2 January 2025 (the "**Final Rules**"). U.S. persons (as defined under the Final Rules) are prohibited from knowingly engaging in, or are required to notify the U.S. Treasury (i.e., "prohibited transaction" and "notifiable transaction" as such terms are defined in the Final Rules) regarding, a broad range of investment transactions in entities in "countries of concern" (presently limited to mainland China, Hong Kong, and Macau) that are engaged in activities related to semiconductors and microelectronics, quantum information technologies, and artificial intelligence systems (together, "**Covered Activities**"). Investments by U.S. persons that are affected by the Final Rules include, among others, acquisition of an equity interest or contingent equity interest in a "Covered Foreign Person" (as defined in the Final Rules) and conversion of a contingent equity interest into an equity interest in a Covered Foreign Person, such as an investment in convertible securities of an entity engaging in a Covered Activity and the subsequent conversion of the securities. There are however certain exceptions to the requirements applying to U.S. persons which have been set forth in the Final Rules and clarified by guidance issued by the U.S. Treasury.

In addition, on 21 February 2025, U.S. President Donald J. Trump issued a memo entitled the "America First Investment Policy" (the "**America First Memo**"). The America First Memo states that Executive Order 14105 is under review by the Administration and that the review will consider new or expanded restrictions on United States outbound investment in China in sectors such as semiconductors, artificial intelligence, quantum, biotechnology, hypersonics, aerospace, advanced manufacturing, directed energy, and other areas implicated by China's national Military-Civil Fusion strategy. The America First Memo also states that the review will consider applying restrictions on investment types including private equity, venture capital, greenfield investments, corporate expansions, and investments in publicly traded securities, from sources including pension funds, university endowments, and other limited-partner investors.

We note that the *National Defense Authorization Act for Fiscal Year 2026, and the Comprehensive Outbound Investment National Security Act* ("**COINS Act**") therein, was signed into law by the U.S. President on 18 December 2025. The COINS Act directs the U.S. Treasury to issue relevant regulations within 450 days of its enactment, which may result in the U.S. Treasury taking steps to "*amend, terminate, supersede, revoke, or streamline existing requirements*" the Final Rules. In the meantime, the U.S. Treasury has advised that until it issues regulations pursuant to the COINS Act, the current regulations in relation to the Final Rules remain in effect.

As of the date of this Offering Circular, the Issuer believes that it is not a "Covered Foreign Person" and the investments in the Bonds will not constitute a "notifiable transaction" or a "prohibited transaction". However, the Final Rules became effective relatively recently and are only accompanied by limited guidance from the U.S. Treasury. There can be no assurances that the U.S. Treasury will take the same view as the Issuer. If the Issuer is found to be a Covered Foreign Person and no applicable exception applies, a U.S. person investor may need to assess its obligations under the Final Rules, for example, making a post-transaction report to the U.S. Treasury.

The U.S. dollar return on the Bonds may be adversely affected by changes in the exchange rates between the Renminbi and the U.S. dollar.

The U.S. dollar return on the Bonds may be adversely affected by changes in the exchange rates between the Renminbi and the U.S. dollar. The Bonds are U.S. dollar-settled debt instruments. Bondholders are required to pay the subscription money for the Bonds in U.S. dollar based on the exchange rate between Renminbi and the U.S. dollar fixed on the pricing date of the Bonds. In addition, all amounts due from the Issuer under the Bonds, including the redemption price, premium and/or default interest of the Bonds, will be settled in U.S. dollar at the spot rate between Renminbi and the U.S. dollar prior to the time of payment. Accordingly, the U.S. dollar return on the Bonds will depend on the principal amount, the premium and/or default interest converted into U.S. dollar at the spot rate. Any volatility of the exchange rate between Renminbi and the U.S. dollar during the term of the Bonds will affect the return on the Bonds in U.S. dollar. In particular, any devaluation of the Renminbi against the U.S. dollar during the term of the Bonds will decrease the U.S. dollar return on the Bonds, which is calculated in Renminbi. In the event of a material devaluation of the Renminbi against the U.S. dollar, Bondholders may not receive the full U.S. dollar subscription money upon redemption of the Bonds.

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

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

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

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

The price and trading volume of the Bonds may be highly volatile. Factors such as variations in the Group's turnover, earnings and cash flows, proposals for new investments, strategic alliances and/or acquisitions, changes in interest rates, fluctuations in price for comparable companies, changes in government regulations and changes in general economic conditions nationally or internationally could cause the price of the Bonds to change. Any such developments may result in large and sudden changes in the trading volume and price of the Bonds. There is no assurance that these developments will not occur in the future.

Developments in other markets may adversely affect the market price of the Bonds.

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

The Trustee may request the Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction before taking action on behalf of Bondholders.

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

Bondholders will have no rights as holders of the H Shares prior to conversion of the Bonds, but are subject to changes made with respect to the H Shares.

Unless and until the Bondholders acquire the H Shares upon conversion of the Bonds, Bondholders have no rights with respect to the H Shares, including any voting rights or rights to receive any regular dividends or other distributions with respect to the H Shares. Upon conversion of the Bonds, these holders would be entitled to exercise the rights of holders of the H Shares only as to actions for which the applicable record date occurs after the date of conversion.

However, such Bondholders are subject to all changes affecting the H Shares. For example, in the event that an amendment is proposed to the Issuer's articles requiring shareholder approval, and the record date for determining the shareholders of record entitled to vote 4(res)-3133(4(res)-330.1idment)-314.7(4(

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The Issuer will follow the applicable corporate disclosure standards for debt securities listed on the Hong Kong Stock Exchange, which may be different from those applicable to companies in certain other countries.

The Issuer will be subject to reporting obligations in respect of the Bonds to be listed on the Hong Kong Stock Exchange. The disclosure standards imposed by the Hong Kong Stock Exchange may be different from those imposed by securities exchanges in other countries or regions. As a result, the level of information that is available may not correspond to what investors in the Bonds are accustomed to or may expect.

The Bondholders may be subject to tax on their income or gain from the Bonds.

Prospective purchasers of the Bonds are advised to consult their own tax advisers concerning the overall tax consequences of the acquisition, ownership or disposition (including upon conversion of the Bonds) of the Bonds or the H Shares. Please refer to "*Taxation*" for a discussion of tax consequences in certain jurisdictions.

Decisions that may be made on behalf of all holders of the Bonds may be adverse to the interests of individual holders of the Bonds. Modifications and waivers may be made in respect of the Terms and Conditions, the Trust Deed or the Agency Agreement by the Trustee or less than all of the holders of the Bonds.

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

The Terms and Conditions will also provide that the Trustee may (but shall not be obliged to) agree, without the consent of the Bondholders, to (i) any modification (except as mentioned in the Trust Deed) to, or the waiver or authorisation of any breach or proposed breach of, the Bonds, the Agency Agreement or the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders or (ii) any modification to the Bonds, the Agency Agreement or the Trust Deed which, in the Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law.

Claims by holders of the Bonds are structurally subordinated to creditors of the Company's subsidiaries.

The Issuer's ability to make payments in respect of the Bonds depends largely upon the receipt of dividends, distributions, interest of advances from its subsidiaries. The ability of the Issuer's subsidiaries to pay dividends and other amounts to the Issuer may be subject to such subsidiaries' profitability and applicable laws. Payments under the Bonds are structurally subordinated to all existing and future liabilities and obligations of each of the Issuer's subsidiaries. Claims of creditors of such companies will have priority as to the assets of such companies over the Issuer and its creditors, including holders of the Bonds.

The Issuer's subsidiaries, jointly controlled entities and associated companies are subject to restrictions on the payment of dividends and the repayment of intercompany loans or advances to the Issuer, its jointly controlled entities and associated companies.

The Issuer depends on the receipt of dividends and the interest and principal payments on intercompany loans or advances from its subsidiaries, jointly controlled entities and associated companies to satisfy its obligations, including its obligations under the Bonds. The ability of the Issuer's subsidiaries, jointly controlled entities and associated companies to pay dividends and make payments on intercompany loans or advances to their shareholders is subject to, among other things, distributable earnings, cash flow conditions, restrictions contained in the articles of association of these companies, applicable laws and restrictions contained in the debt instruments of such companies. The Issuer cannot assure that its subsidiaries, jointly controlled entities and associated companies will have distributable earnings or will be permitted to distribute their distributable earnings to it as it anticipates, or at all. In addition, dividends payable to it by these companies are limited by the percentage of its equity ownership in these companies. Further, if any of these companies raises capital by issuing equity securities to third parties, dividends declared and paid with respect to such shares would not be available to the Issuer to make payments on the Bonds. These factors could reduce the payments that the Issuer receives from its subsidiaries, jointly controlled entities and associated companies, which would restrict its ability to meet its payment obligations under the Bonds.

PRC laws and regulations permit payment of dividends only out of accumulated profits as determined in accordance with PRC accounting standards and regulations. The PRC subsidiaries, jointly controlled entities and associated companies of the Issuer are also required to set aside a portion of their post-tax profits according to PRC accounting standards and regulations to fund certain reserves that are not distributable as cash dividends.

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

If the Company or any of its subsidiaries is unable to comply with the restrictions and covenants or its current or future debt obligations and other agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend, accelerate repayment of the debt and declare all outstanding amounts due and payable or terminate the agreements, as the case may be. As a result, a default under one debt agreement may cause the acceleration of repayment of not only such debt but also other debt, including the Bonds, or result in a default under the Company's or such subsidiary's other debt agreements. If any of these events occur, there is no assurance that the Company would have sufficient assets and cash flow to repay in full all of its indebtedness, or that the Company would be able to find alternative financing. Even if the Company could obtain alternative financing, it could not guarantee such financing will be on terms that are favourable or acceptable to the Company.

The Company may be unable to obtain and remit foreign currencies out of China.

The Company's ability to satisfy its obligations under the Bonds will be affected by its ability to obtain and remit sufficient foreign currency. The Company must present certain documents to SAFE, its authorized branch, or the designated foreign exchange bank. If the Company for any reason fails to satisfy any of the PRC legal requirements for remitting foreign currency payments, it may affect the Company's ability to satisfy its obligations under the Bonds in a timely manner.

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:

Enforcement of shareholder rights.

Currently, the primary sources of shareholder rights are the Issuer's articles of association, the PRC Company Law, the PRC regulations and the listing rules of the Hong Kong Stock Exchange and the Shenzhen Stock Exchange, which, among other things, impose certain standards of conduct, fairness and disclosure on the Issuer, its directors and its substantial shareholders. Given the differences in legal system, in general, these rights may differ from those applicable to companies incorporated in the United States, the United Kingdom and many European countries. Being under different legal systems, it is possible that the Issuer's shareholders may not enjoy the full protections to which they may be entitled in a different jurisdiction. China does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with the United States, the United Kingdom or most European countries, and therefore recognition and enforcement in China of judgments of a court in any of these jurisdictions in relation to any matter not subject to a binding arbitration provision may not be assured.

The Company may not have the ability to redeem the Bonds.

Bondholders may require the Company, subject to certain conditions, to redeem for cash some or all of their Bonds at the option of the Bondholders upon the occurrence of a Relevant Event as described under "*Terms and Conditions of the Bonds – Redemption, Purchase and Cancellation – Redemption for Relevant Events.*" The Company may not have sufficient funds or other financial resources to make the required redemption in cash at such time or the ability to arrange necessary financing on acceptable terms, or at all. The Company's ability to redeem the Bonds in such event may also be limited by the terms of other debt instruments. Failure to repay, repurchase or redeem tendered Bonds by the Company would constitute an event of default under the Bonds, which may also constitute a default under the terms of other indebtedness held by the Company.

There are risks attached to the exercise of Conversion Rights.

At any point when the Bonds are outstanding, depending on the performance of the H Shares, the value of the H Shares may be substantially lower than when the Bonds were initially purchased. In addition, because there will be a delay between when Conversion Rights are exercised and when H Shares are delivered, the value of the H Shares to be delivered may vary substantially between the date on which Conversion Rights are exercised and the date on which such H Shares are delivered.

There is a limited period during which the Bondholders may convert their Bonds.

Bondholders will bear the risk of fluctuations in the price of H Shares.

The market price of the Bonds at any time will be affected by fluctuations in the price of the H Shares. The H Shares are currently primary listed on the Hong Kong Stock Exchange. There can be no certainty as to the effect, if any, that future issues or sales of H Shares, or the availability of such H Shares for future issue or sale, would have on the market price of the H Shares prevailing from time to time and therefore on the market price of the Bonds. Sales of substantial numbers of H Shares in the public market, or a perception in the market that such sales could occur, could adversely affect the prevailing market price of the H Shares and the Bonds. The market price of the H Shares will also be influenced by the Group's operational results (which in turn are subject to the various risks to which the Group's businesses and operations are subject) and by other factors such as changes in the regulatory environment that may affect the markets in which the Group operates and the capital markets in general. Corporate events such as reorganizations, takeovers or share buy-backs may also adversely affect the market price of the H Shares. Any decline in price ofofofofofofofof aff-353..53.7(the

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

The Bonds will initially be represented by a Global Certificate. Such Global Certificate will be deposited with a common depositary for Euroclear and Clearstream. Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive Bonds. Euroclear and Clearstream will maintain records of the beneficial interests in the Global Certificate.

While the Bonds are represented by the Global Certificate, investors will be able to trade their beneficial interests only through Euroclear and Clearstream. While the Bonds are represented by the Global Certificate, the Issuer will discharge its payment obligations under the Bonds by making payments to the common depositary for Euroclear and Clearstream for distribution to their account holders. A holder of a beneficial interest in a Global Certificate must rely on the procedures of Euroclear and Clearstream to receive payments under the Bonds. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

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

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

The Terms and Conditions will be governed by English law. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the Bonds.

It may be difficult to effect service of legal process or enforce judgments obtained from non-PRC courts against the Group and its management who reside in the PRC.

The Terms and Conditions and the transaction documents will be governed by English law and the Issuer will submit to the exclusive jurisdiction of the Hong Kong courts. However, a majority of the Group's assets are located in China, and most of its directors and senior management reside in China. Therefore, there is no assurance that investors will be able to effect service of process outside of China upon the Group or its management.

Moreover, due to the difference in legal systems, you may experience difficulties in effecting service of legal process and enforcing foreign judgments in the PRC, as the case in many other jurisdictions. The PRC has not entered into treaties or arrangements providing for the recognition and enforcement of judgments made by the courts in most other jurisdictions. Therefore, recognition and enforcement in the PRC of judgments of a court in any of these non-PRC jurisdictions, as the case in many other jurisdictions, may be difficult.

On 18 January 2019, the Supreme People's Court of the PRC and the Hong Kong government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and the Hong Kong Special Administrative Region (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排) (the "**2019 Arrangement**"). The 2019 Arrangement has been implemented in Hong Kong by the Mainland Judgments in Civil and Commercial Matters (Reciprocal Enforcement) Ordinance (Cap. 645), which came into operation on 29 January 2024. In the PRC, the Supreme People's Court promulgated a judicial interpretation to implement the 2019 Arrangement on 26 January 2024 (the "**Judicial Interpretation**"). The 2019 Arrangement applies to judgments made on or after 29 January 2024.

Unlike other bonds issued in the international capital markets where holders of such bonds would typically not be required to submit to an exclusive jurisdiction, the Bondholders will be deemed to have submitted to the exclusive jurisdiction of the Hong Kong courts. Thus, the Bondholders' ability to initiate a claim outside Hong Kong will be limited.

Under the 2019 Arrangement, where the Hong Kong court has given a legally effective judgment in a civil and commercial matter, any party concerned may apply to the relevant People's Court of the PRC for recognition and enforcement of the judgement, subject to the provisions, limits, procedures and other terms and requirements of the 2019 Arrangement and the Judicial Interpretation. The recognition and enforcement of a Hong Kong court judgment could be refused if the relevant People's Court of the PRC consider that the enforcement of such judgment is contrary to the basic principles of laws of the PRC or the social and public interests of the PRC. While it is expected that the relevant People's Courts of the PRC will recognize and enforce a judgment given by a Hong Kong court and governed by English law, there can be no assurance that such courts will do so for all such judgments, as it may remain subject to the specific circumstances of the case related to the judgment. Compared to other similar debt securities issuances in the international capital markets where the relevant holders of the debt securities would not typically be required to submit to an exclusive jurisdiction, the holders of the Bonds will be deemed to have submitted to the exclusive jurisdiction of the Hong Kong courts, and thus the ability of the holders of the Bonds to initiate a claim outside of Hong Kong will be limited.

The risks described above do not necessarily comprise all those faced by the Group and are not intended to be presented in any assumed order of priority.

The investment referred to in this Offering Circular may not be suitable for all of its recipients. Investors are accordingly advised to consult an investment adviser before making a decision to subscribe for the Bonds.

USE OF PROCEEDS

The proceeds raised from the offering of the Bonds, after deducting all related expenses and expenses, will be allocated as follows: (i) 50% of the net proceeds will be used to support the implementation of the Company's global development strategies, including the construction of overseas manufacturing bases, warehousing and logistics systems, R&D centres, marketing systems, after-sales service systems and other projects in foreign countries including those in Europe, West Asia, Southeast Asia, Africa, the Americas and Oceania, and (ii) 50% of the net proceeds will be used to support the implementation of the Company's innovation-driven and high-quality product development strategies, including R&D and application of advanced technologies such as robots, new energy and intelligentisation (i.e. development of numerous new products such as new energy agricultural machinery, new energy mining machinery, humanoid intelligent robots and related core components). For details, please refer to the circular of the Company dated 25 November 2025.

EXCHANGE RATE INFORMATION

The PRC

The PBOC sets and publishes daily a base exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the market during the prior day. The PBOC also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. From 1994 to 20 July 2005, the conversion of Renminbi into foreign currencies, including Hong Kong dollars and U.S. dollars, was based on rates set daily by the PBOC. 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 SAFE and other relevant authorities. On 21 July

The table below sets forth the noon buying rate for U.S. dollars in New York City for cable transfer in Renminbi as certified for customs purposes by the Federal Reserve Bank of New York for the periods indicated:

	Noon buying rate			
Period	**Period end**	**Average[(1)]**	**High**	**Low**
		(RMB per US$1.00)		
2023	7.0999	7.0896	7.3430	6.7010
2024	7.2993	7.1933	7.2993	7.0106
2025				
January	7.2422	7.2957	7.3326	7.2422
February	7.2828	7.2734	7.3088	7.2422
March	7.2567	7.2493	7.2843	7.2273
April	7.2706	7.2968	7.3499	7.2675
May	7.1991	7.2166	7.2706	7.1798
June	7.1636	7.1804	7.1975	7.1636
July	7.2002	7.1741	7.2002	7.1541
August	7.1304	7.1727	7.2116	7.1304
September	7.1190	7.1235	7.1415	7.1033
October	7.1169	7.1200	7.1384	7.0980
November	7.0751	7.1069	7.1295	7.0751
December	6.9931	7.0432	7.0717	6.9931
2026				
January (through 9 January)	6.9772	6.9861	6.9965	6.9772

Source: Federal Reserve H.10 Statistical Release

Note:

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

MARKET PRICE INFORMATION

Our H shares have been listed on the Hong Kong Stock Exchange (Stock Code: 1157) since 23 December 2010. Prior to that time, there was no public market for our H Shares. Our publicly traded domestic shares, or A Shares, have been listed on the Shenzhen Stock Exchange (Stock Code: 000157) since 12 October 2000.

The table below sets forth, for the periods indicated, the low and high closing prices per H Share, as reported on the Hong Kong Stock Exchange, and per A Share, as reported on the Shenzhen Stock Exchange:

	Closing Share Price			
	H Share		A Share	
Period	**Low**	**High**	**Low**	**High**
	(HK$)		**(RMB)**	
2024				
First quarter ended 31 March 2024	3.84	5.38	6.57	8.26
Second quarter ended 30 June 2024	5.00	6.35	7.54	9.35
Third quarter ended 30 September 2024	3.68	5.71	5.75	7.80
Fourth quarter ended 31 December 2024	4.56	6.14	6.72	7.66
2025				
First quarter ended 31 March 2025	5.30	6.65	6.61	8.39
Second quarter ended 30 June 2025	4.94	6.24	6.80	7.70
Third quarter ended 30 September 2025	5.78	7.29	7.23	8.39
Fourth quarter ended 31 December 2025	7.07	8.02	7.82	8.67

CAPITALISATION AND INDEBTEDNESS

The following table sets forth our capitalisation and indebtedness as at 30 June 2025 on an actual basis and on an adjusted basis after giving effect to the issuance of the Bonds in this offering before deducting the underwriting discounts and commissions payable by us in connection with this offering. The table should be read in conjunction with the financial statements and the accompanying notes incorporated by reference in this Offering Circular.

	As at 30 June 2025			
	Actual		As adjusted[1]	
	RMB (millions)	US$[2] (millions)	RMB (millions)	US$[2] (millions)
Current indebtedness				
Current loans and borrowings	8,734	1,219	8,734	1,219
Current lease liabilities	143	20	143	20
Total current indebtedness	8,877	1,239	8,877	1,239
Non-current indebtedness				
Non-current loans and borrowings	20,355	2,841	20,355	2,841
Non-current lease liabilities	282	39	282	39
Bonds to be issued	–	–	6,000	838
Total non-current indebtedness	20,637	2,881	26,637	3,718
Total indebtedness	29,514	4,120	35,514	4,957
Total equity	59,340	8,284	59,340	8,284
Total capitalisation[3]	88,854	12,404	94,854	13,241

Notes:

(1) As adjusted as at 30 June 2025 to give effect to the issue of the Bonds and the proceeds we are expecting to receive from the issue of the Bonds (before deducting underwriting commissions and certain estimated offering expenses). In accordance with International Accounting Standards 32, Financial Instruments: Presentation, a convertible bond that can be converted to equity share capital at the option of the holder which is accounted for as compound financial instruments contains both a liability component and an equity component. For illustrative purpose, the aggregate proceeds we are expecting to receive from the issue of the Bonds (before deducting underwriting commissions and certain estimated offering expenses) will be assumed as the liability component and no allocation to the equity component will be made.

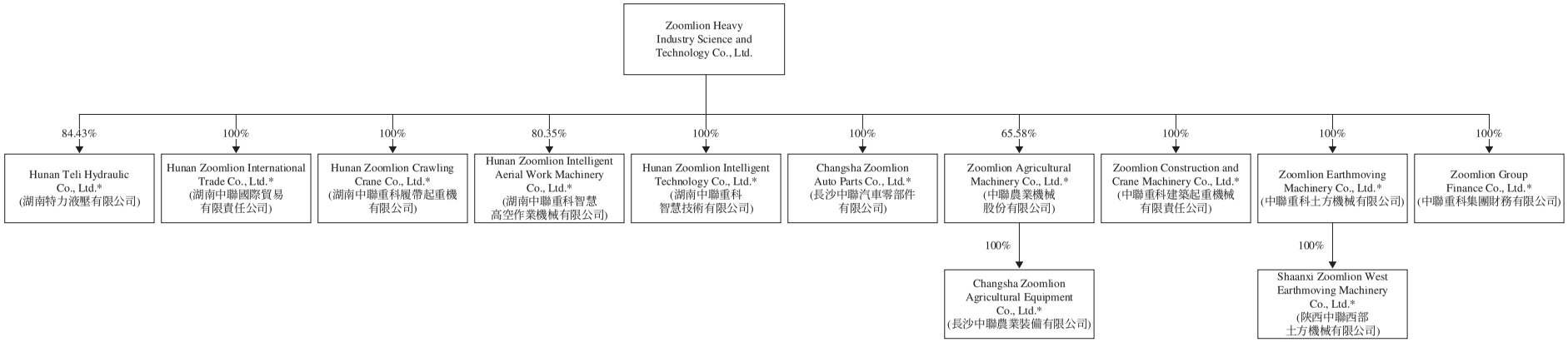
(2) Calculated at the exchange rate of RMB7.1636 to US$1.00 on 30 June 2025 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. No comment is made as to the appropriateness of such rate or whether the RMB was, could have been, or could be, converted into US$ at that rate.

(3) Total capitalisation equals total indebtedness plus total equity.

In our ordinary course of business, we may consider various financing opportunities and incur additional debt, including, among others, bank borrowings and domestic or offshore bonds or other securities issuances, to finance our business developments or for general corporate purposes. Other than as disclosed above, there has been no material adverse change in our capitalisation and indebtedness since 30 June 2025.

CORPORATE STRUCTURE

The following chart sets forth a simplified overview of our organisational structure indicating certain key subsidiaries as at the date of this Offering Circular:



DESCRIPTION OF THE GROUP

OVERVIEW

Following the core concept of "building up enterprises with Internet thinking and producing products by pushing everything to the limit", the Company has unswervingly committed itself to the goal of high-quality development, and worked harder on the three transformation initiatives of "related diversification, globalization and digitization". By seeking high-quality development powered by technological innovation, the Company refreshed its efforts to advance the transformation and upgrading of digitization, intelligence and green operations. The Company continued to deepen its traditional strengths while accelerating the cultivation and expansion of emerging business sectors. Through a comprehensive global market expansion strategy, this has unlocked new growth opportunities for the Company, enabling it to navigate economic cycles and achieve robust, sustainable, and high-quality development.

For the years ended 31 December 2022, 2023, and 2024, our revenue was RMB41,631 million, RMB47,075 million and RMB45,478 million, respectively; our gross profit was RMB9,088 million, RMB12,966 million and RMB12,810 million, respectively; and our profit attributable to equity shareholders of the Company was RMB2,347 million, RMB3,550 million and RMB3,521 million, respectively.

For the six months ended 30 June 2024 and 30 June 2025, our revenue was RMB24,535 million and RMB24,855 million, respectively; our gross profit was RMB6,946 million and RMB6,996 million, respectively; and our profit attributable to equity shareholders of the Company was RMB2,281 million and RMB2,753 million, respectively.

RECENT DEVELOPMENTS

On 29 August 2025, the board (the "**Board**") of directors (the "**Director(s)**") of the Company resolved to recommend an interim dividend of RMB0.2 per share for the six months ended 30 June 2025, totalling RMB1,730 million, which was approved by the shareholders at our extraordinary general meeting held on 11 December 2025. The interim dividend has been paid on Friday, 9 January 2026 to holders of H shares whose names appeared on the Company's H share register of members at the close of business on Monday, 22 December 2025 and to holders of A shares res 29

On 30 October 2025, tgtober tgtober results of tgtober tgtober

(ii) Earth working machinery-built edges in a full-scenario product matrix and achieved a dual growth in domestic and overseas markets

In terms of earth working machinery, the Group expanded the product spectrum of micro-excavation, enhanced the performance of medium and large excavation across the board and pioneered green mining technologies for ultra-large-tonnage equipment. The Group has built the full-scenario product matrix with industry-leading competitiveness. In the domestic market, the Group has transitioned its sales model to a distributor model, continuously optimized its product mix, and achieved an industry-leading market share in medium and large excavators. In the overseas market, the Group deepened its global footprint by efficiently introducing the "pin-shaped" management model and the "ground forces + air forces" collaboration framework, while continuously optimizing its worldwide service and parts network, achieving dual growth in sales volume and market share. During the six months ended 30 June 2025, the export sales of earth working machinery recorded a year-on-year increase of over 33%, leading the industry.

(iii) Aerial machinery led the development of global high-end markets

Powered by sustained technological innovation, the Group has established solid core competitive advantages and gained global pricing power in the superhigh work heights. Notably, the boom lift products with superhigh work heights rank first in the global market share, and the world's tallest 82-meter superhigh straight-boom lift has obtained the EU CE certification. The ZA32J articulated boom lift with high work heights tops the global market share. At present, the Group's products with high work heights have achieved large-scale export to Europe, the Americas, and the Asia-Pacific regions, demonstrating remarkable technological leadership and product competitiveness. For industrial layout, the Group works on its worldwide footprint and local presence. The Hungarian factory is constructed as scheduled, and domestic production competitiveness continues to strengthen. This multi-dimensional approach is already unlocking new growth drivers for future development, laying a solid foundation for its cemented global leadership in the field of aerial machinery.

(iv) Agricultural machinery advanced strategic restructuring and lean development transformation

Aligned with the "High-end, International, and New Energy" core development strategies, the Group has driven comprehensive upgrades across its product portfolio, R&D, marketing, production, and human resource systems. The Group focused on agricultural machinery for large-scale cultivation of key crops, building an integrated industrial ecosystem that synergizes complete machines with core components. In its seven priority markets, the Group has had in place elite teams to strengthen end-user penetration. Through systematic integration of factory manufacturing resources, the Group has enabled a global lean manufacturing network. By consolidating resources and restructuring operational frameworks, the Group has enhanced its input-output efficiency to achieve lean development on all fronts. During the six months ended 30 June 2025, wheat machines were among the top two places and tractor and rice machine products achieved growth against headwinds during the industrial adjustment, and the business mix accelerated its transformation to high-value-added areas, laying a solid foundation for high-quality development.

(v) Dual breakthroughs in both competitiveness and market performance in mining machinery

Prioritizing the "Green, Large-Scale, and Intelligent" initiative for mining machinery, the Group is committed to developing high-end full-process mining equipment, achieving industry-leading comprehensive product competitiveness. Manufacturing capacity has leaped forward, tripling since the beginning of the year. Domestic business grew against the market headwinds, securing a firm foothold with central and State-owned enterprises in the energy sector. Overseas, the Group notched successive breakthroughs, gaining full access to the global high-end mining market. During the six months ended 30 June 2025, sales increased by over 29% year on year.

(vi) R&D Acceleration of embodied intelligent robots

The Group has developed three new humanoid robots, including one wheeled humanoid robot and two bipedal humanoid robots. Dozens of them have entered factory operation and are being piloted in mechanical processing, logistics, assembly, quality inspection and other links to accelerate industrialization. By developing a complete set of tool chain for data collection, data labeling, and model training, the Group has built a 120-station embodied intelligent training ground and an embodied intelligent operation center, establishing a closed-loop mechanism for the entire process of "data collection – model training – application iteration" and initially forming a data flywheel to promote the evolution of the Group's humanoid robot embodied intelligent large-scale model.

(vii) Emerging business thrived

Relying on its platform and brand advantages, the Group has rapidly expanded the product portfolios of its emerging businesses, like emergency equipment, foundation construction machinery and industrial vehicles, to continuously refine its market presence and steadily elevate its industry standing.

Driven by technological innovation, for the emergency equipment, the Group stayed committed to shaping internationally competitive emergency vehicles, overseas products, and electric-construction machinery, forging an industrial layout that is "domestically leading and globally expanding." The Group continued to deepen its presence in the domestic market while securing new breakthroughs overseas, with both revenue and profit recording new highs. During the six months ended 30 June 2025, sales increased by over 54% year on year.

Following the "Stabilize Fundamentals, Pursue Growth, Address Weaknesses, and Develop Flagship Products" approach, the Group has established global market coverage through its "High-end Product Platform + Global Regional Market Portfolio" model. Meanwhile, the Group worked on digitalization and intelligence transformation and successfully developed the Ma'anshan industrial park into a green, intelligent modern plant. During the six months ended 30 June 2025, the Group achieved sustained growth across domestic and international markets with better operational quality across the board. Notably, the export sales increased by over 85% year on year.

2. The global footprint strategy deepened the development in global markets

The Group has firmly implemented the international development strategy with the Group's characteristics, and continued to work on the "end-to-end, digital and localised" overseas business direct-sale system. Relying on integrated advantages in corporate culture, operational philosophy, and digital technologies, the Group accelerates comprehensive localization of all operational elements, including overseas R&D, manufacturing, supply chains, and sales-service networks to build enduring competitive advantages in overseas markets and drive sustained, rapid development of the overseas business.

(i) Diversified market footprints

Diversified market footprints strongly underpinned the robust development of the overseas business. In the first half of 2025, the Group's overseas revenue continued its growth of more

secondary outlets and developing nodes in surrounding cities and reinforced a star-shaped service structure of “one central warehouse + N satellite warehouses.” Concurrently, the Group has completed site selection and construction of 24 specialized service outlets, materially improving service responsiveness and market coverage depth.

The operational efficiency has been significantly improved. The Group has systematically optimized the utilization and reasonability of its global outlet warehousing by consolidating resources at key market centers and refining the layout of service and repair zones to improve

Digital efforts empowered the refined management and control of production, sales and storage. The Group took a holistic approach to inventory management and control, intelligent manufacturing and supply-chain platform building to refine the production-sales coordination mechanism for a fully digital monitoring system that spans the entire value chain from “opportunity insight to value realization”. By integrating cutting-edge technologies such as artificial intelligence, the Group has achieved end-to-end, high-efficiency collaboration, reshaping its operating model into one that is “demand-driven and lean in supply.” This enables us to respond to market needs with an optimal cost structure, thereby reducing inventory levels and improving capital turnover.

4. Intelligent manufacturing industry clusters have been taking shape to lead the sustained

(iii) Comprehensive acceleration of digital transformation across the entire manufacturing and supply chain

During the six months ended 30 June 2025, we had 1,755 R&D projects in progress, nearly 300 of which focused on new "digitalisation, intelligentisation and eco-friendliness" technologies. In the same period, we launched 206 new machine models, including 76 high-end 4.0 series products and 20 new energy products. The world's largest 4,000-ton all-terrain crane has achieved batch sales, marking the Group's global leadership in ultra-large all-terrain crane technology. In addition, the Company has created new industry-leading products such as the world's tallest 216-meter wind power luffing jib tower crane and the world's longest five-axle compliant steel boom pump truck with a vertical reach of 76 metres. Focusing on the needs of overseas business, the Company has accelerated the R&D of key components to precisely meet the demands of different regional markets, completing the development and application of 56 key components, including intelligent controllers, hydraulic parts, displays, and "three-electric" systems. The main innovation achievements are as follows:

(i) Continuous application of "digitalisation, intelligentisation and eco-friendliness" new technologies significantly enhances product competitiveness

In terms of digitalisation, the Group initiated 61 projects, 19 of which have achieved batch application. The Group has further leveraged digitalisation to drive ultimate product enhancement, achieving significant breakthroughs in product operation & maintenance and full-lifecycle health management. Key applications include a crane fault diagnosis system and typical fault Q&A robot, an integrated management system for mixing plants and pump trucks, a global spare parts mall for aerial work platform, a parameter management platform for tower cranes, a multi-dimensional database for tractors, a digital management platform for power construction products, and a thermal load analysis technology for excavators. These digital technologies have strongly supported product quality upgrades and full-lifecycle value creation.

In terms of intelligentisation, we initiated 100 projects, 22 of which have achieved batch application. The Group deeply promoted the engineering and productization of intelligent technology achievements, continuously enhancing the products' full-process autonomous operation capabilities and collaborative technology levels. L2-level autonomous boom operation technology for pump trucks, one-key horizontal push control technology for front-shovel excavators, drive-by-wire chassis control technology for autonomous mining trucks, and an auxiliary driving system for agricultural machinery have all been deployed in batches. Leveraging the Group's innovative consortium for intelligent construction with engineering machinery, we successfully created an overall smart mining solution. This solution achieves unmanned operation for the entire "excavation-loading-transportation-unloading-return" process, reducing mining and stripping personnel by about 90% and increasing operational efficiency by 10%. This solution is now being applied on a large scale in mining areas in Inner Mongolia.

In terms of eco-friendliness, the Group initiated 78 projects, with 23 completing prototype verification and 14 achieving small-batch or batch application. The Group has independently overcome a series of green product technology challenges, such as energy consumption optimization for mixer trucks based on operational data, energy recovery from regenerative braking for electric loaders, energy-saving closed-loop hydraulic systems for the main winch of rotary drilling rigs, and extended-range hybrid energy control for high-horsepower tractors, continuously promoting energy conservation and emission reduction in the Group's products. The Group has also innovatively developed a range of green safety technologies, including collision detection and safety control around crane booms, a vision-based walking safety

warning system for aerial work platform, an AI safety supervision system for tower crane jacking, a fatigue monitoring and warning system for excavator operators, and a single-pedal combined braking system for wide-body trucks, ensuring that the Group's products' safety performance remains at the forefront of the industry.

(ii) Comprehensive expansion of new energy main products and accelerated industrialization of key components

In the first half of 2025, the Group launched 20 new energy main products, including the world's first pure electric port tire crane, the world's first five-axle right-hand drive new energy mixer truck, the world's first 5-axle 38-ton pure electric knuckle-boom truck-mounted crane, a 100-ton hybrid off-highway wide-body dump truck with drive-by-wire chassis, a 350-horsepower CVT four-wheel-drive hybrid tractor, and other innovative products. In terms of market penetration, the electrification rate of mixer trucks increased from 36.6% in 2024 to 74%, and the electrification rate of wide-body trucks grew from 2.8% in 2024 to 33%, significantly accelerating the electric transformation of mixer trucks and wide-body trucks in the domestic market. In terms of "three-electric" components, the Group has built differentiated competitive advantages for agricultural machinery and mining truck products. The Group has launched a 6kWh high-rate battery pack for agricultural machinery, a 120kW compact and efficient flat-wire motor specifically for agricultural machinery, as well as a 397kWh energy-type and a 134kWh high-rate battery pack for mining trucks. These products have been applied in batches with main machines in both domestic and international markets. In terms of hydrogen energy equipment, we are rapidly entering the hydrogen energy sector. The Group has launched a new generation of 45MPa/70MPa/90MPa hydrogen liquid-driven piston compressors suitable for transportation and energy systems. The Group has also developed 2-10Nm3 channel-type PEM electrolyzers and a 300kW fuel cell power station, helping cities build a new economic ecosystem that integrates clean energy, hydrogen-powered transportation, and green manufacturing.

(iii) Accelerating research breakthroughs in key core technologies and products for agricultural machinery to create a series of state-of-the-art agricultural machinery

In the first half of 2025, the Group launched four flagship products: the N-series mechanical-shift tractor, the TK100MAX grain harvester, the PL80 rice harvester, and a 30-ton grain dryer. These products feature significant improvements in performance, appearance, and user comfort. In terms of technological innovation, we developed the industry's first distributed direct-drive motor technology and launched the first DV4004 electric continuously variable transmission (CVT) tractor. It can couple and decouple its dual-motor coaxial system in response to working conditions and load, achieving an 8% fuel saving under heavy load and a 25% fuel saving during inter-row cultivation and seeding. A new generation of independently controllable, ultimate intelligent control system has been deployed. It integrates three core modules – electrical monitoring and control, intelligent driving, and ISOBUS implement collaborative control – to create an ultimate experience, making field operations more precise and efficient.

(ii) Strengthening construction of a supply chain system

The Group continued to promote the consolidated and centralized procurement of bulk and general materials, strengthening cost control to support ultimate cost reduction and optimize supplier ecosystem. We accelerated digital transformation, having completed the full-process integration of the supply chain management platform across 21 business units, with plans for coverage across the Group in the second half of the year. Simultaneously, we consistently implemented an ultimate cost accounting system to comprehensively improve the efficiency of procurement price verification and achieve lifecycle cost management.

(iii) Strengthening the full-process inventory management system

The Group focused on promoting a digital inventory control project. This system uses business opportunities to drive production and budgets to control inventory, enabling a closed-loop management from opportunity to delivery. It achieves visualized and intelligent control across the entire "opportunity-plan-production-procurement-sales-inventory" chain. During the six months ended 30 June 2025, the first phase of the digital production-sales-inventory monitoring platform went live, enabling real-time monitoring and early warning of anomalies in production, sales, and inventory data. The Group's inventory scale has significantly decreased as a result.

(iv) Deepening the development of ultimate service capability

The Group focused on advancing the development of a hub-based service system, continuously strengthening three core capabilities: service management, service teams, and service support. This involves fully implementing end-to-end and fine-grained management in service operations. Concurrently, we optimized the global service resource layout and accelerated the localization of service operations, with the service localization rate reaching 54%. We have launched digital service tools to empower a dual improvement in global service efficiency and quality, effectively promoting the conversion of service value.

(v) Tackling challenges to empower a globalized human resources system

In line with the Group's all-out transformation toward an overseas strategy, we have optimized organizational structure and conducted targeted recruitment to strengthen the Group's teams. Focusing on building global capabilities, the Group has deepened talent training and competency enhancement to create a team with "high identification, high standards, and high caliber". We explored global talent incentive mechanism by upgrading performance management, improving the compensation system, and optimizing value assessment and distribution to motivate employees. We also advanced global digital transformation to empower improvement in both management efficiency and service quality.

BUSINESS STRATEGIES

Following the core concept of "building up enterprises with Internet thinking and producing products by pushing everything to the limit", the Group has unswervingly committed itself to the goal of high-quality development, and worked harder on the three transformation initiatives of "related diversification, globalization and digitization". By seeking high-quality development powered by technological innovation, the Group refreshed its efforts to advance the transformation and upgrading of digitization, intelligence and green operations.

The Group will further promote the synergistic integration and competitive development of traditional advantageous industries and emerging industries and further strengthen the implementation of strategies to demonstrate the results of the overall strategy. The traditional advantageous industries will continue to forge sustainable competitiveness in the process of steady improvement; the emerging industries will continue to contribute new growth poles in the process of development and growth. First, in terms of concrete machinery, engineering cranes, and construction cranes, the Group will consistently pursue its goal of global leadership. For domestic operations, the Group will strive to achieve a quality growth by controlling the risk, stabilizing the scale and boosting the efficiency, so as to consolidate and strengthen the Group's position in the domestic market. For overseas operations, the Group will strive to achieve a leapfrog growth in its global business by increasing the scale, boosting the profit and controlling the risk, so as to have the Group's products and services widely recognized globally.

In connection with earthmovers and mining machinery, the Group will promote an in-depth integration, consistently improve the type spectrum of products and technical reserves, optimize its marketing systems for the domestic and overseas markets and strengthen the talent cultivation, so as to achieve a comprehensive breakthrough in scale and efficiency.

In connection with aerial machinery, the Group will increase efforts for overseas market expansion to improve its global industrial layout, upgrade its product, service and market systems, accelerate the end-to-end digital transformation to boost operating efficiency across the board, so as to form an absolute advantage of competitiveness in technology, quality, cost and service and ensure that a remarkable breakthrough into the RMB10 billion scale could be achieved.

In connection with agricultural machinery, the Group will closely follow the "10,000 Plan" (萬台計劃), uphold the core goal of creating market-leading products, increase the output and improve the quality with intelligent manufacturing technologies, build a sound domestic and overseas marketing system with the Group's characteristics, so as to achieve a breakthrough in scale and a comprehensive growth.

In connection with emerging businesses such as emergency equipment, foundation construction machinery, industrial vehicles and the Group's new materials, the Group will, based on technology and products, make the most of the advantages of the Group's platform and brand to make the Group's business bigger and stronger rapidly.

BUSINESS

The Group is principally engaged in three main operating segments, including (i) research, development, manufacturing and sale of construction machinery; (ii) research, development, manufacturing and sale of agricultural machinery; and (iii) finance lease services.

(i) Construction machinery segment consists of the following sub-segments:

Concrete machinery sub-segment primarily researches, develops, manufactures and sells various concrete machineries, including truck-mounted concrete pumps, trailer-mounted concrete pumps, dry mortar products, concrete placing booms, concrete mixing plants, truck-mounted concrete mixers, truck-mounted line concrete pumps and self-propelled boom concrete pumps.

Crane machinery sub-segment primarily researches, develops, manufactures and sells a variety of cranes, including truck cranes, all-terrain truck cranes, crawler cranes and various types of tower cranes.

Aerial machinery sub-segment primarily researches, develops, manufactures and sells a variety of aerial work vehicles.

Earth working machinery sub-segment primarily researches, develops, manufactures and sells a variety of earth working machineries, including loaders, bulldozer and various types of excavators.

Others primarily research, develop, manufacture and sell of other machinery products, including road construction and pile foundation machinery, material handling machinery and systems, specialised vehicles and vehicle axles.

(ii) Agricultural machinery segment primarily researches, develops, manufactures and sells a wide range of agricultural machineries, including tractors, grain harvesters and drying machines.

(iii) Financial services segment primarily provides finance lease services to customers for purchasing machinery products of the Group and from other vendors.

The following table sets forth the breakdown of our consolidated turnover by our operating segments:

	For the year ended 31 December			For the six months ended 30 June	
	2022	2023	2024	2024	2025
		(Audited)		(Unaudited)	
			(RMB millions)		
Revenue from contracts with customers within the scope of IFRS 15					
Disaggregated by major products of service lines					
Construction machinery					
– Concrete machinery	8,432	8,571	8,004	4,210	4,866
– Crane machinery	18,859	19,175	14,691	8,228	8,331
– Aerial machinery	4,593	5,701	6,830	3,953	2,591
– Earth working machinery	3,511	6,647	6,666	3,516	4,288
– Others	3,415	4,208	4,012	2,032	2,486
Agricultural machinery	2,133	2,089	4,646	2,341	1,987
	40,943	46,391	44,849	24,280	24,549
Revenue from other sources					
Rental income	186	187	157	48	75
Financial services	502	497	472	207	231
	688	684	629	255	306
	41,631	47,075	45,478	24,535	24,855

ENVIRONMENT

Under the guidance of "Safe Development, Green Development and High-quality Development", adhering to the principle of "people oriented and green manufacturing" and to achieve the goals of "carbon and pollution reduction and green development", the Group remains highly attentive to the possible impacts of machinery manufacturing on the environment, and consider energy conservation and environmental protection a paramount issue in our production and business operation. In recent years, the Group firmly grasped the transformation and upgrading of smart manufacturing opportunities and actively responded to national policies by using water-based paint and by adopting efficient, energy-saving, and low pollution dry spraying technology and advanced terminal pollution treatment facilities, as well as by installing an intelligent and environmental protection DCS monitoring system and environmental protection access control system, aimed at achieving full-chain green management and rapidly improving environmental protection performance.

EMPLOYEES

As at 30 June 2025, the Company had employed a total of 34,572 employees. Details of the Company's staff costs are enclosed in note 5(b) to the 2025 Interim Report.

LEGAL PROCEEDINGS

From time to time, the Company may be involved in litigation or other disputes that arise in the ordinary course of business. However, the Company is not currently involved in any litigation, disputes or arbitration proceedings which it believes are material in the context of the Bonds, and the Company is not aware of any material litigation, disputes or arbitration proceedings that are currently pending or threatened.

CORPORATE GOVERNANCE

The Company has established and improved the structure of its corporate governance to regulate its operation strictly in accordance with the Company Law, Securities Law, and the relevant regulations of the CSRC and SEHK. The Company has improved its internal control, the regulations of shareholders' meeting and board meeting so as to ensure effective operation and safeguard the interests of all shareholders and itself. The corporate governance of the Company is substantially the same as required by the regulatory requirements of the CSRC and SEHK on listed companies. The Company will consolidate the efforts of the corporate governance of listed companies by further enhancing corporate governance and internal control of listed companies and their subsidiaries. The accountability mechanism and information disclosure system will be improved to ensure true, accurate, complete, timely and fair disclosure of information. The Company also strictly implemented the management system for insider information and external information user formulated by the Board of Directors.

1. Compliance with the principles and code provisions of the Corporate Governance Code during the six months ended 30 June 2025

The Board has adopted all code provisions in Part 2 of the Corporate Governance Code (the "**Code**") set out in Appendix C1 to the Listing Rules as the code of the Company. During the six months ended 30 June 2025, the Company has complied with all the applicable code provisions set out in Part 2 of the Code, save and except the only deviation from code provision C.2.1 of the Code, namely, the roles of the chairman and chief executive officer have not been separated. Dr. Zhan Chunxin is currently the chairman of the Board and chief executive officer of the Company. The Board is of the view that vesting of these two roles in Dr. Zhan Chunxin can facilitate efficient

DIRECTORS

Our Board is responsible and has general powers for the management and conduct of our business. The table below shows certain information in respect of the members of our board as at the date of this Offering Circular:

Name	Age	Position
Dr. Zhan Chunxin (詹純新)	70	Chairman of the Board, CEO and Executive Director
Mr. Liu Xiaoping (劉小平)	62	Executive Director, Employee Representative Director
Mr. He Liu (賀柳)	55	Non-executive Director
Mr. Wang Xianping (王賢平)	42	Non-executive Director
Mr. Zhang Chenghu (張成虎)	67	Independent Non-executive Director
Mr. Huang Guobin (黃國濱)	57	Independent Non-executive Director
Mr. Wu Baohai (吳寶海)	50	Independent Non-executive Director
Ms. Huang Jun (黃珺)	49	Independent Non-executive Director

Executive Directors

Dr. ZHAN Chunxin (詹純新), born in 1955, is the Chairman and Chief Executive Officer of our Company. Dr. Zhan has served as an engineer, senior engineer, a researcher-level senior engineer, deputy head and head of former Construction Machinery Research Institute of Changsha. As the founder of the Company, Dr. Zhan led the entrepreneurial team to establish Zoomlion Construction Machinery Industry Co., Ltd. in 1992, and has been appointed as a director of Zoomlion Heavy Industry Science and Technology Co., Ltd. since 1999, and as the Chairman since 2001. Currently, Dr. Zhan also serves as the chairman of various subsidiaries of our Company, including Zoomlion Finance Co., Ltd. and Hunan Zhicheng Finance Guarantee Co., Ltd., and as a director of various subsidiaries of our Company, including Zoomlion H.K. Holding Co., Ltd., Zoomlion International Trading (H.K.) Co., Limited and Zoomlion Capital (H.K.) Co., Limited. Dr. Zhan has been serving various public functions. He was a representative at the 16th, 17th and 19th National Congress of the Communist Party of China, the 10th and 12th National People's Congress, a member of the 13th CPPCC National Committee, a member of the 8th, 9th and 10th National Congress of the Communist Party of China in Hunan Province and a member of the 10th session of CPC Hunan Provincial Committee. Currently, Dr. Zhan also serves as the deputy chairman of China Enterprise Confederation, China Entrepreneurs Association, China Association for Public Companies and China Construction Machinery Association. Dr. Zhan has received various titles and awards, mainly including special government subsidy granted by the State Council, National Outstanding Worker, Expert Consultant Member of the professional service centre of the Ministry of Personnel, Review Expert for the National Science and Technology Progress Award, Yuan Baohua Enterprises Management Gold Award (the most distinguished award for corporate executives in China), Leonardo Award in Italy, CCTV Chinese Economic Annual Figure and the China Outstanding Quality Model. Dr. Zhan graduated from Northwestern Polytechnical University in 1978 and obtained a master's degree in aeronautical engineering from Northwestern Polytechnical University in 2000 and a doctorate degree in system engineering from Northwestern Polytechnical University in 2005.

Mr. LIU Xiaoping (劉小平), born in 1963, is an employee representative director and a senior

Independent Non-executive Directors

Mr. ZHANG Chenghu (張成虎), born in 1958, has acted as an independent director of our Company since 2023. He is a holder of doctor of philosophy ("**PhD**") in management, a second-level

Ms. HUANG Jun (黃珺), born in 1976, has acted as an independent director of our Company since 2023. She is a PhD at Shanghai Jiaotong University and a Chinese certified public accountant. She is currently a professor and PhD supervisor at Hunan University, a fellow member of the Accounting Society of China, a director of the Financial Cost Branch of the Accounting Society of China, a director of the Finance Society of Hunan Province, and an expert reviewer for senior professional titles in accounting industry of Hunan Province. She has been a lecturer and associate professor at Hunan University and a visiting scholar sponsored by China Scholarship Council at Durham University Business School in the United Kingdom.

DIRECTORS AND SUBSTANTIAL SHAREHOLDERS' INTERESTS IN OUR SHARES

DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE'S INTERESTS IN SHARES OR DEBENTURES OF THE COMPANY

As at 30 June 2025, the directors, chief executive, supervisors and senior management of the Company who have interest or a short position in the Shares, underlying shares or debentures of the Company or associated corporation (as defined in Part XV of the Securities and Futures Ordinance (the "**SFO**") as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or otherwise notified to the Company and SEHK under the Model Code were as follows:

Name of director/ supervisor	Nature of interest	Type of shares	Number of shares[1]	Percentage of the total share capital of the same type
Zhan Chunxin	Beneficial owner	A Share	10,929,076 (L)	0.1540%
	Interest in a controlled corporation[2]	H Share	5,250,000 (L)	0.3382%
Xiong Yanming	Beneficiary owner	A share	2,991,051 (L)	0.0422%
Liu Xiaoping.	Beneficiary owner	A share	326,840 (L)	0.0046%

Notes:

(1) L represents long position.

(2) Such interest is held by Fair Sun (Hong Kong) Holdings Limited, a wholly-owned subsidiary of Hunan Fangsheng Company Limited which, in turn, is controlled by Zhan Chunxin.

As at 30 June 2025, save as disclosed in this report, none of the directors, supervisors or chief executive of the Company nor any other persons has any interest or short positions in the shares, underlying shares or debentures of the Company or (in the case of directors, supervisors and chief executive) any of its associated corporations within the meaning of Part XV of the SFO as recorded in the registers required to be kept pursuant to Sections 336 and 352 of the SFO or otherwise notified to the Company and SEHK pursuant to the Model Code.

As at 30 June 2025, none of the directors, supervisors, or chief executive officers or their respective spouse or children under 18 years of age has any rights to acquire the shares or debentures of the Company or any of its associated corporations nor exercise any of these rights.

DESCRIPTION OF THE ORDINARY SHARES

*The following information is a summary of certain provisions of the articles of association of the Issuer (the "**Articles**") and certain other information concerning the Issuer. These statements are only a summary and qualified in their entirety by reference to the full Articles and Company Law of the People's Republic of China. Any provision of the Articles may be varied by special resolution passed at a general meeting of shareholders of the Issuer as approved by the relevant competent authority according to the applicable laws and rules. For the complete and full version of the Articles, please refer to the Articles available on the website of the Hong Kong Stock Exchange.*

INTRODUCTION

The Company is a joint stock limited company established in accordance with the Company Law and other relevant laws, administrative regulations and rules of the PRC. The A Shares of the Issuer were listed on the Shenzhen Stock Exchange on 12 October 2000 2-362.9(rn)u thA Exchanf 2-362.9(rn)e

DIVIDENDS

Dividends can be paid by way of cash, shares or a combination of cash and shares where priority shall be given to distribution of profits in cash. The Company may make interim and annual profit distribution. The Company shall make cash distribution if the profit for the current year and accumulative retained profit are positive and it has no major investment plan or significant cash expenditure. The total profit distributed in cash in the past three years shall not be less than 30% of the average annual distributable profit of the past three years. According to the profit and liquidity of the Company, the Company may distribute dividend in shares, provided that a minimum cash dividend has been made and that the capital size and structure shall not be adversely affected.

The profit distribution of the Company shall be proposed by the board of directors in accordance with the Articles and the operating condition of the Company. The board of directors shall carefully consider the views of independent directors when determining the profit distribution proposal. The profit distribution proposal shall provide continuous, stable and reasonable return to all shareholders, which shall be considered and approved by the board of directors before it is submitted to the a shareholders' meeting for approval.

The distribution of dividends (or shares) shall be completed within two months after the resolution regarding profit distribution is passed at a shareholders' meeting or a specific plan is formulated by the board of directors based on the conditions for and maximum limit of interim dividend distribution for the forthcoming year passed at the shareholders' meeting.

(iv) the board of directors considers it necessary;

(v) half or more of the independent directors jointly proposes;

(vi) the audit committee proposes;

(vii) other circumstances specified under laws, administrative regulations, departmental rules or the Articles of Association.

Shareholders who hold 10% or more of the shares of the Company individually or together shall have the right to request the board of directors to convene an extraordinary shareholders' meeting or a class meeting and the request shall be made in writing. The board of directors shall within ten days after receipt of the request provide a written reply, pursuant to the laws, administrative regulations and the Articles, stating its agreement or disagreement to convene the extraordinary shareholders' meeting or the class meeting.

Where the Company convenes a shareholders' meeting, the board of directors, the audit committee and shareholder(s) individually or together holding 1% or more of the shares of the Company shall have the right to propose new motions to the Company. The Company shall include such proposed motions on the agenda of such shareholders' meeting if they are matters falling within the functions and powers of the shareholders' meetings.

TERMS AND CONDITIONS OF THE BONDS

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

The issue of RMB6,000,000,000 in aggregate principal amount of 0.70 per cent. U.S. dollar settled convertible bonds due 2031 (the "**Bonds**", which term shall include, unless the context requires otherwise, any further bonds issued in accordance with Condition 15 (*Further Issues*) and consolidated and forming a single series therewith) of Zoomlion Heavy Industry Science and Technology Co., Ltd. (the "**Issuer**") and the right of conversion into H Shares (as defined in Condition 5.1.5 (*Meaning of "Shares"*)) of the Issuer were authorised by resolutions of the board of directors of the Issuer passed on 30 October 2025 and resolutions of the shareholders of the Issuer passed at the extraordinary general meeting and the class meetings on 11 December 2025. The Bonds are constituted by a trust deed (as amended and/or supplemented from time to time, the "**Trust Deed**") dated 5 February 2026 (the "**Issue Date**") and made between the Issuer and The Hongkong and Shanghai Banking Corporation Limited (the "**Trustee**", which term shall, where the context so permits, include all other persons for the time being acting as trustee or trustees under the Trust Deed) as trustee for the holders of the Bonds. The Issuer has entered into a paying, conversion and transfer agency agreement (as amended and/or supplemented from time to time, the "**Agency Agreement**") dated 5 February 2026 with the Trustee, The Hongkong and Shanghai Banking Corporation Limited as principal paying agent, principal conversion agent (collectively in such capacities, the "**Principal Agent**", which expression shall include any successor principal agent appointed from time to time in connection with the Bonds) and as registrar (the "**Registrar**", which expression shall include any successor registrar appointed from time to time in connection with the Bonds) and transfer agent (the "**Transfer Agent**", which expression shall include any successor transfer agent appointed from time to time in connection with the Bonds), and the other paying agents, transfer agents and conversion agents appointed under it (each a "**Paying Agent**", a "**Transfer Agent**" or a "**Conversion Agent**" (as applicable) and together with the Registrar and the Principal Agent, the "**Agents**") relating to the Bonds. For the avoidance of doubt, references to the "**Paying Agents**", the "**Transfer Agents**" or, as the case may be, the "**Conversion Agents**" each include the Principal Agent. References to the "**Principal Agent**", the "**Registrar**" and the "**Agents**" below are references to the principal agent, the registrar and the agents for the time being for the Bonds. These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed. Copies of the Trust Deed and of the Agency Agreement (i) are available for inspection at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time). Monday to Friday except for public holidays) at the principal office of the Trustee, being at the date of the Trust Deed at Level 26, HSBC Main Building, 1 Queen's Road Central, Hong Kong and (ii) may be provided by email from the Principal Agent to any Bondholder, in each case, following prior written request and proof of holding and identity to the satisfaction of the Trustee or the Principal Agent, as the case may be. The Bondholders (as defined in Condition 1.3 (*Title*)) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions of the Agency Agreement applicable to them.

All capitalised terms that are not defined in these Conditions will have the meanings given to them in the Trust Deed.

1 STATUS; FORM, DENOMINATION AND TITLE

1.1 Status

The Bonds constitute direct, unsubordinated, unconditional and (subject to the provisions of Condition 3.1 (*Negative Pledge*)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 3.1 (*Negative Pledge*), at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations.

1.2 Form and Denomination

The Bonds are issued in registered form in the specified denomination of RMB2,000,000 each and integral multiples of RMB1,000,000 in excess thereof (each, an "**Authorised Denomination**"). A bond certificate (each a "**Certificate**") will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Bondholders (the "**Register**") which the Issuer will procure to be kept by the Registrar.

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

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

1.3 Title

Title to the Bonds passes only by transfer and registration in the Register as described in Condition 2 (*Registration and Transfers of Bonds; Issue of Certificates*). The holder of any Bond will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions, "**Bondholder**" and (in relation to a Bond) "**holder**" means the person in whose name a Bond is registered.

2 REGISTRATION AND TRANSFERS OF BONDS; ISSUE OF CERTIFICATES

2.1 Register

The Issuer will cause the Register to be kept at the specified office of the Registrar outside the United Kingdom and in accordance with the terms of the Agency Agreement on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers, redemptions and conversions of the Bonds. Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

2.2 Transfers

Subject to Conditions 2.5 (*Restricted Transfer Periods*) and 2.6 (*Regulations*) and the terms of the Agency Agreement, a Bond may be transferred in whole or in part in an Authorised Denomination by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the Registrar or of any of the Transfer Agents. No transfer of a Bond will be valid or effective unless and until entered on the Register. A Bond may be registered only in the name of, and transferred only to, a named person.

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

2.3 Delivery of New Certificates

2.3.1 Each new Certificate to be issued upon a transfer of Bonds will, within seven business days of receipt by the Registrar or, as the case may be, any Transfer Agent of the original Certificate and the form of transfer duly completed and signed, be made available for

2.4 Formalities Free of Charge

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge subject to (i) the person making such application for transfer paying or procuring the payment of any taxes, duties and other governmental charges in connection therewith, (ii) the Registrar or the relevant Transfer Agent (as the case may be) being satisfied with the documents of title and/or identity of the person making the application and (iii) the Registrar or the relevant Transfer Agent (as the case may be) being satisfied that the Regulations (as defined in Condition 2.6 (*Regulations*) below) have been complied with.

2.5 Restricted Transfer Periods

No Bondholder may require the transfer of a Bond to be registered (i) during the period of seven days ending on (and including) the dates for payment of any amount pursuant to these Conditions (including any date of redemption pursuant to Condition 7.2 (*Redemption at the Option of the Issuer*) and Condition 7.3 (*Redemption for Taxation Reasons*)); (ii) after a Conversion Notice (as defined in Condition 5.2.1 (*Conversion Notice*)) has been delivered with respect to such Bond; (iii) after a Put Option Notice (as defined in Condition 7.4 (*Redemption at the Option of the Bondholders*)) has been deposited in respect of such Bond; (iv) after a Relevant Event Put Exercise Notice (as defined in Condition 7.5 (*Redemption for Relevant Events*)) has been deposited in respect of such Bond; or (v) during the period of seven days ending on (and including) any Interest Record Date (as defined in Condition 6.1 (*Method of Payment*)), each such period being a "**Restricted Transfer Period**".

2.6 Regulations

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds, the initial form of which is scheduled to the Agency Agreement (the "**Regulations**"). The Regulations may be changed by the Issuer, with the prior written approval of the Trustee and the Registrar, or by the Registrar, with the prior written approval of the Trustee. A copy of the current Regulations will be made available (free of charge to the Bondholder and at the Issuer's expense) by the Registrar to any Bondholder following written request and satisfactory proof of holding and identity and is available for inspection following written request and proof of holding and identity satisfactory to the Registrar at all reasonable times during usual business hours at the specified office of the Registrar.

3 COVENANTS

3.1 Negative Pledge

So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer will not create or permit to subsist, and the Issuer will procure that none of its Subsidiaries (as defined below) will create or permit to subsist, any mortgage, charge, pledge, lien or other form of encumbrance or security interest (other than a security interest arising by operation of law) upon the whole or any part of its undertaking, assets or revenues (including any uncalled capital), present or future, to secure any Relevant Indebtedness (as defined below) or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness unless, at the same time or prior thereto according to the Bonds the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

3.2 Notification to NDRC

The Issuer undertakes that it will within the relevant prescribed timeframes after the Issue Date file or cause to be filed with the NDRC the requisite information and documents in respect of the Bonds and comply with other reporting obligations in accordance with the Administrative Measures for the Review and Registration of Medium- and Long-Term Foreign Debts of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) ("**Order 56**") issued by the NDRC and effective from 10 February 2023 and any implementation rules, reports, certificates, approvals or guidelines as issued by the NDRC from time to time, including but not limited to, the Initial NDRC Post-Issuance Filing (as defined below).

3.3 CSRC Post-Issuance Filings

The Issuer undertakes to file or cause to be filed with the CSRC (as defined below) within the relevant prescribed timeframes after the Issue Date the requisite information and documents in respect of the Bonds in accordance with the CSRC Filing Rules (as defined below) (the "**CSRC Post-Issuance Filings**", which term for the avoidance of doubt, includes the Initial CSRC Post-Issuance Filing (as defined below)) and comply with the continuing obligations under the CSRC Filing Rules and any implementation rules as issued by the CSRC from time to time.

3.4 Notification of Submission of the Initial NDRC Post-Issuance Filing and the Initial CSRC Post-Issuance Filing

The Issuer shall:

3.4.1 file or cause to be filed (i) the Initial NDRC Post-Issuance Filing with the NDRC or its competent local counterpart of the information and documents relating to the issue of the Bonds that are required to be filed in accordance with Order 56 within ten Registration Business Days after the Issue Date (the "**Initial NDRC Post-Issuance Filing**") and (ii) the CSRC Filing Report and other requisite information and documents in respect of the Bonds that are required to be filed with the CSRC within three Registration Business Days after the Issue Date in accordance with the CSRC Filing Rules (the "**Initial CSRC Post-Issuance Filing**"); and

3.4.2 on or before the Registration Deadline and within ten Registration Business Days after the latest of (i) the submission of the Initial NDRC Post-Issuance Filing and (ii) the submission of the Initial CSRC Post-Issuance Filing, provide the Trustee with (A) a certificate (substantially in the form scheduled to the Trust Deed) in English signed by an Authorised Signatory (as defined in the Trust Deed) confirming the submission of the Initial NDRC Post-Issuance Filing and the Initial CSRC Post-Issuance Filing; and (B) copies of the relevant documents evidencing the submission of the Initial NDRC Post-Issuance Filing and the Initial CSRC Post-Issuance Filing, each certified in English as a true and complete copy of the original by an Authorised Signatory of the Issuer (the items specified in (A) and (B) together, the "**Registration Documents**"). In addition, the Issuer shall, within ten Registration Business Days after the Registration Documents are delivered to the Trustee, give notice to the Bondholders (in accordance with Condition 16 (*Notices*)) confirming the submission of the Initial NDRC Post-Issuance Filing and the Initial CSRC Post-Issuance Filing.

The Trustee may rely conclusively on the Registration Documents and shall have no obligation or duty to monitor or assist with or ensure the Initial NDRC Post-Issuance Filing or the Initial CSRC Post-Issuance Filing is submitted or completed within the timeframe specified in Condition 3.2 (*Notification to NDRC*) and Condition 3.3 (*CSRC Post-Issuance Filings*), respectively, or to verify the accuracy, content, completeness, validity and/or genuineness of any documents in relation to or in connection with the Initial NDRC Post-Issuance Filing and/or the Initial CSRC Post-Issuance Filing and/or the Registration Documents or to translate or procure the translation into English of the documents in relation to or in connection with the Initial NDRC Post-Issuance Filing or the Initial CSRC Post-Issuance Filing or to give notice to the Bondholders confirming the completion of the Initial NDRC Post-Issuance Filing and the Initial CSRC Post-Issuance Filing, and the Trustee shall not be liable to Bondholders or any other person for not doing so.

3.5 Definitions

For the purposes of these Conditions:

"**CSRC**" means the China Securities Regulatory Commission;

"**CSRC Filing Rules**" means the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) and supporting guidelines issued by the CSRC on 17 February 2023 and became effective on 31 March 2023, as amended, supplemented or otherwise modified from time to time;

"**CSRC Filing Report**" means the filing report of the Issuer in relation to the issuance of the Bonds which will be submitted to the CSRC within three Registration Business Days after the Issue Date pursuant to Articles 13 and 16 of the CSRC Filing Rules;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China;

"**NDRC**" means the National Development and Reform Commission of the PRC;

"**person**" means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organisation or government or any agency or political subdivision thereof;

"**PRC**" means the People's Republic of China, which shall for the purpose of these Conditions only, exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"**Relevant Indebtedness**" means any present or future indebtedness having a maturity of not less than one year incurred outside the PRC in the form of, or represented by, bonds, debentures, notes, loan stock, bearer participation certificates, depositary receipts, certificates of deposit or other investment securities which represent indebtedness and are for the time being, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over-the-counter or other securities market, but shall not include any financing of the acquisition of assets if by the terms of such financing it is expressly provided that the

holders of the resulting indebtedness shall look to the assets financed and the revenues to be generated by the operation of, or loss of or damage to, such assets as the sole source of repayment for the moneys advanced and payment of interest thereon. For the avoidance of doubt, Relevant Indebtedness shall not include indebtedness under any transferable bank loan facilities or agreements, bilateral loans or syndicated bank loans obtained by the Issuer or its Subsidiaries, or drawing down of any credit lines or facilities of the Issuer or any of its Subsidiaries;

"**Registration Business Day**" means a day, other than a Saturday, Sunday or public holiday, on which commercial banks are generally open for business in Beijing;

"**Registration Deadline**" means the day falling 90 Registration Business Days after the Issue Date; and

"**Subsidiary**" or "**subsidiary**" means in relation to any person, (i) any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50 per cent. of the registered share capital or issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity or (ii) any company or other business entity which at any time has its accounts consolidated with those of that person or which, under the laws of Hong Kong or the PRC, or in accordance with generally accepted accounting principles applicable in the PRC from time to time, should have its accounts consolidated with those of that person.

4 INTEREST

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 0.70 per cent. per annum, payable semi-annually in arrear in equal instalments on 5 February and 5 August in each year (each an "**Interest Payment Date**") at its U.S. Dollar Equivalent (as defined below).

Each Bond will cease to bear interest:

In accordance with and subject to the below paragraphs, the Conversion Date in respect of the exercise of any Conversion Right in relation to any Bond may not fall during the period (i) commencing on the later of (x) for a shareholders' annual general meeting, the date falling 21 days prior to that meeting, or for a shareholders' extraordinary general meeting, the date falling 15 days prior to that meeting, or (y) the date on which notice of meeting is given, and in either case, ending on the date of that meeting; or (ii) commencing on the date falling five working days prior to the record date set by the Issuer for the purpose of distribution of any dividend and ending on such record date; or (iii) commencing on such date and for such period as determined by applicable law from time to time that the Issuer is required to close its register (a "**Restricted Conversion Period**"). The Issuer will give notice of any such Restricted Conversion Period to the Bondholders, the Trustee and Agents not less than two working days prior to the commencement of any such Restricted Conversion Period.

If the Conversion Date in respect of a Bond would otherwise fall during a Restricted Conversion Period, such Conversion Date shall be postponed to the first H Share Stock Exchange Business Day (as defined in Condition 5.8 (*Definitions*)) following the expiry of such Restricted Conversion Period.

If the Conversion Date in respect of the exercise of any Conversion Right is postponed as a result of the foregoing provision to a date that falls after the expiry of the Conversion Period or after the relevant redemption date, such Conversion Date shall be deemed to be the final day of such Conversion Period or the relevant redemption date, as the case may be.

For the purpose of this Condition 5.1.1 (*Conversion Right and Conversion Period*), "**working day**" means a day other than a Saturday, Sunday or a public holiday on which commercial banks and foreign exchange markets are generally open for business in the city which the specified office of each of the Principal Agent and the Registrar is located, respectively.

5.1.2 *Fractions of H Shares*: Fractions of H Shares will not be issued on conversion and no cash payments or other adjustments will be made in lieu thereof. However, if the Conversion

5.1.3 *Conversion Price*: The price at which H Shares will be issued upon conversion (the "**Conversion Price**") will initially be HK$10.02 per H Share but will be subject to adjustment in the manner provided in Condition 5.3 (*Adjustments to Conversion Price*) or Condition 5.6 (*Adjustment upon Change of Control*), as applicable.

5.1.4 *Revival and/or survival after Default*

time), Monday to Friday except for public holidays on which commercial banks are generally open for business in the city of the specified office of the Conversion Agent) accompanied by a duly completed and signed notice of conversion (a "**Conversion Notice**") in the form (for the time being current and being substantially in the form scheduled to the Agency Agreement) obtainable from any Conversion Agent, together with (i) the relevant Certificate; and (ii) certification by the Bondholder, in the form obtainable from any Conversion Agent, as may be required under the laws of the PRC, Hong Kong or any jurisdiction in which the specified office of such Conversion Agent is located.

Shares issued upon exercise of the Conversion Rights will be fully paid up and will in all respects rank *pari passu* with, and within the same class as, the H Shares in

5.3 Adjustments to Conversion Price

Upon the occurrence of any of the following events described below, the Conversion Price will be adjusted as follows:

5.3.1 Consolidation, Subdivision or Re-classification: If and whenever there shall be an alteration to the nominal value of the H Shares as a result of consolidation, subdivision or re-classification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

Where:

A is the nominal amount of one H Share immediately after such alteration; and

B is the nominal amount of one H Share immediately before such alteration.

Such adjustment shall become effective on the date the alteration takes effect.

5.3.2 Capitalisation of Profits or Reserves:

(i) If and whenever the Issuer shall issue Ordinary Shares of any class credited as fully paid to the holders of such Ordinary Shares ("**Ordinary Shareholders**") by way of capitalisation of profits or reserves, including Ordinary Shares of such class paid up out of distributable profits or reserves and/or share premium account (except any Scrip Dividend) and which would not have constituted a Capital Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

Where:

A is the aggregate nominal amount of the issued Ordinary Shares immediately before such issue; and

B is the aggregate nominal amount of the issued Ordinary Shares immediately after such issue.

Such adjustment shall become effective on the date of issue of such Ordinary Shares or if a record date is fixed therefor, immediately after such record date; provided that if there are different effective dates for different classes of Ordinary Shares, the effective date of the H Shares shall prevail.

(ii) In the case of an issue of H Shares by way of a Scrip Dividend where the aggregate value of such H Shares by way of a Scrip Dividend as determined by reference to the Current Market Price on the date of announcement of the terms of such Scrip Dividend multiplied by the number of such H Shares issued exceeds 105 per cent. of the amount of the Relevant Cash Dividend or the relevant part thereof (in respect of the H Shares) and which would not have constituted a Capital Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the issue of such Scrip Dividend by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

A is the aggregate nominal amount of the issued H Shares immediately before such issue;

B is the aggregate nominal amount of such Scrip Dividend multiplied by a fraction of which (i) the numerator is the amount of the whole, or the relevant part, of the Relevant Cash Dividend in respect of the H Shares and (ii) the denominator is such aggregate Current Market Price of the Scrip Dividend issued in lieu of the whole, or the relevant part, of the Relevant Cash Dividend in respect of the H Shares; and

C is the aggregate nominal amount of such H Shares issued by way of such Scrip Dividend,

or by making such other adjustment as an Independent Financial Advisor shall certify to the Trustee is fair and reasonable.

Such adjustment shall become effective on the date of issue of such H Shares or if a record date is fixed therefor, immediately after such record date.

5.3.3 Capital Distributions: If and whenever the Issuer shall pay or make any Capital Distribution to the holders of H Shares (except to the extent that the Conversion Price falls to be adjusted under Condition 5.3.2 (*Capitalisation of Profits or Reserves*) above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such Capital Distribution by the following fraction:

$$\frac{A - B}{A}$$

Where:

A is the Current Market Price per H Share on the date on which the Capital Distribution is first publicly announced; and

B is the Fair Market Value of the portion of Capital Distribution attributable to one H Share.

Such adjustment shall become effective on the date that such Capital Distribution is actually made or, if a record date is fixed therefor, immediately after such record date. For the purpose of the above, Fair Market Value shall (subject as provided in the definition of "**Fair Market Value**" (as defined in Condition 5.8 (*Definitions*))) be determined as at the date on which the Capital Distribution is first publicly announced or, if later, the first date on which the Fair Market Value of the relevant Capital Distribution is capable of being determined as provided herein.

In making any calculation pursuant to this Condition 5.3.3 (*Capital Distributions*), such adjustments (if any) shall be made as an Independent Financial Advisor may consider appropriate to reflect (i) any consolidation or subdivision of the H Shares, (ii) issues of H Shares by way of capitalisation of profits or reserves, or any like or similar event, (iii) the modification of any rights to dividends of H Shares or (iv) any change in the fiscal year of the Issuer.

5.3.4 Rights Issues of Shares or Options over Shares: If and whenever the Issuer shall issue Ordinary Shares of one or more classes to all or substantially all Ordinary Shareholders of such classes by way of rights, or issue or grant to all or substantially all Ordinary Shareholders of such classes by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any Ordinary Shares of such classes, in each case at a consideration less than 95 per cent. of the Current Market Price per H Share on the date of the first public announcement of the terms of the issues or grants, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issues or grants by the following fraction:

$$\frac{A + B_1 + B_2}{A + C_1 + C_2}$$

Where:

A is the aggregate number of Ordinary Shares of all classes in issue immediately before such announcement;

B_1 is the number of Ordinary Shares of one class which the aggregate consideration (if any) receivable for the Ordinary Shares of

C_2 where applicable, is the aggregate number of Ordinary Shares of a second class issued or, as the case may be, comprised in the issue or grant.

Such adjustment shall become effective on the date of issue of such Ordinary Shares or issue or grant of such options, warrants or other rights (as the case may be) or where a record date is set, the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants, as the case may be; provided that if there are different effective dates for different classes of Ordinary Shares, the effective date of H Shares shall prevail.

5.3.5 Rights Issues of Other Securities: In respect of each class of Ordinary Shares, if and whenever the Issuer shall issue any securities (other than Ordinary Shares or options, warrants or other rights to su292.5(Shar-274.7(2(or)e)-nr-27purchcase)-339.6(or)-339.6(othewiase)-339.6 tohallfor(su2tranihalyo)290.1(hall)-20.1((Ordinary)-20.1((Sharholdersl)-20.1(ffr)-20.1((sach)-20.1((class)- the such or grant the

5.3.6 Issues at Less than Current Market Price: If and whenever the Issuer shall issue (otherwise than as mentioned in Condition 5.3.4 (*Rights Issues of Shares or Options over Shares*) above) any Ordinary Shares (other than H Shares issued on the exercise of Conversion Rights or on the exercise of any other rights of conversion into, or exchange or subscription for, Ordinary Shares) or issue or grant (otherwise than as mentioned in Condition 5.3.4 (*Rights Issues of Shares or Options over Shares*) above) options, warrants or other rights to subscribe for, purchase or otherwise acquire Ordinary Shares of one or more classes, in each case at a consideration which is less than 95 per cent. of the Current Market Price per H Share on the date of announcement of the terms of such issues, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issues by the following fraction:

$$\frac{A + B_1 + B_2}{A + C_1 + C_2}$$

Where:

A is the aggregate number of Ordinary Shares of all classes in issue immediately before the issue of such additional Ordinary Shares of such class or the grant of such options, warrants or other rights to subscribe for, purchase or otherwise acquire any Ordinary Shares of such class;

B_1 is the number of Ordinary Shares of one class which the aggregate consideration (if any) receivable for the issue of such additional Ordinary Shares of such class would purchase at the Current Market Price per Ordinary Share of such class;

B_2 where applicable, is the number of Ordinary Shares of a second class which the aggregate consideration (if any) receivable for the issue of such additional Ordinary Shares of such class would purchase at the Current Market Price per Ordinary Share of such class;

C_1 is the aggregate number of Ordinary Shares of one class issued, or as the case may be, the maximum number of Ordinary Shares of such class to be issued on the exercise of such options, warrants or other rights at the initial exercise price or rate; and

C_2 where applicable, is the aggregate number of Ordinary Shares of a second class issued, or as the case may be, the maximum number of Ordinary Shares of such class to be issued on the exercise of such options, warrants or other rights at the initial exercise price or rate.

References to additional Ordinary Shares in the above formula shall, in the case of an issue by the Issuer of options, warrants or other rights to subscribe or purchase Ordinary Shares, mean such Ordinary Shares to be issued assuming that such options, warrants or other rights are exercised in full at the initial exercise price or rate on the date of issue or grant of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such additional Ordinary Shares or, as the case may be, the issue or grant of such options, warrants or other rights; provided that if there are different effective dates for different classes of Ordinary Shares, the effective date of the H Shares shall prevail.

5.3.7 **Other Issues at less than Current Market Price:** Save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within this Condition 5.3.7 (*Other Issues at less than Current Market Price*), if and whenever the Issuer or any of its Subsidiaries (otherwise than as mentioned in Condition 5.3.4 (*Rights Issues of Shares or Options over Shares*), Condition 5.3.5 (*Rights Issues of Other Securities*) or Condition 5.3.6 (*Issues at Less than Current Market Price*)), or (at the direction or request of or pursuant to any arrangements with the Issuer or any of its Subsidiaries) any other company, person or entity shall issue any securities (other than the Bonds, which shall be deemed to exclude any further bonds issued pursuant to Condition 15 (*Further Issues*)) which by their terms of issues carry rights of conversion into, or exchange or subscription for, Ordinary Shares of one or more classes to be issued by the Issuer upon conversion, exchange or subscription, in each case at a consideration which is less than 95 per cent. of the Current Market Price per H Share on the date of announcement of the terms of issues of such securities, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issues by the following fraction:

$$\frac{A + B_1 + B_2}{A + C_1 + C_2}$$

Where:

A is the aggregate number of Ordinary Shares of all classes in issue immediately before such issue;

B_1 is the number of Ordinary Shares of one class which the aggregate consideration

5.3.8 Modification of Rights of Conversion etc.: If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any such securities as are mentioned in Condition 5.3.7 (*Other Issues at less than Current Market Price*

5.3.9 **Other Offers to Holders of H Shares:** In respect of H Shares, if and whenever the Issuer or any of its Subsidiaries or (at the direction or request of or pursuant to any arrangements with the Issuer or any of its Subsidiaries) any other company, person or entity issues, sells or distributes any securities in connection with an offer pursuant to which the holders of H Shares generally are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under Condition 5.3.4 (*Rights Issues of Shares or Options over Shares*), Condition 5.3.5 (*Rights Issues of Other Securities*), Condition 5.3.6 (*Issues at Less than Current Market Price*) or Condition 5.3.7 (*Other Issues at less than Current Market Price*)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A - B}{A}$$

Where:

A is the Current Market Price per H Share on the date on which the terms of such issue, sale or distribution of securities are first publicly announced; and

B is the Fair Market Value of the portion of the rights attributable to one H Share.

Such adjustment shall become effective on the date of issue, sale or distribution of the securities or, if a record date is fixed therefor, immediately after such record date or if later, the first date upon which the Fair Market Value of the relevant securities is capable of being determined as provided herein. For the purpose of the above, Fair Market Value shall (subject as provided in the definition of "**Fair Market Value**" (as defined in Condition 5.8 (*Definitions*))) be determined as at the date on which the terms of such issue, sale or distribution of securities are first publicly announced or, if later, the first date on which the Fair Market Value of the portion of the aggregate rights attributable to the Ordinary Shares is capable of being determined as provided herein.

5.3.10 **Other Events:** If the Issuer determines, in its sole discretion, that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances not referred to in this Condition 5.3 (*Adjustments to Conversion Price*), the Issuer shall, at its own expense, consult an Independent Financial Advisor to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Conversion Price, and the date on which such adjustment should take effect and upon such determination by the Independent Financial Advisor such adjustment (if any) shall be made and shall take effect in accordance with such determination, *provided that* where the events or circumstances giving rise to any adjustment pursuant to this Condition 5.3 (*Adjustments to Conversion Price*) have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of events or circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this Condition 5.3 (*Adjustments to Conversion Price*) as may be advised by the Independent Financial Advisor to be in its opinion appropriate to give the intended result. Notwithstanding the foregoing, the per Ordinary Share value of any such adjustment shall not exceed the per Ordinary Share value of the dilution in the Ordinary Shareholders' interest in the Issuer's equity caused by such events or circumstances.

5.3.11 Further Classes of Ordinary Shares: In the event that the Issuer has more than two classes of Ordinary Shares outstanding at any time, the formulae set out in this Condition 5.3 (*Adjustments to Conversion Price*) shall be restated to take into account such further classes of Ordinary Shares so that "$B_1 + B_2$" and "$C_1 + C_2$" shall become "$B_1 + B_2 + B_3$" and "$C_1 + C_2 + C_3$" and "B_3" and "C_3" shall have the same meaning as "B_1" and "C_1", respectively, but by reference to a third class of Ordinary Shares and so on.

5.4 Undertakings

5.4.1 The Issuer has undertaken in the Trust Deed, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders:

(i) it will use all commercially reasonable endeavours (a) to maintain a listing for the H Shares on the Hong Kong Stock Exchange, (b) to obtain and maintain a listing for all the H Shares issued on the exercise of the Conversion Rights attaching to the Bonds on the Hong Kong Stock Exchange and (c) if the Issuer, having used such endeavours, is unable to obtain or maintain such listing, to instead use all commercially reasonable endeavours to obtain and maintain a listing for all the issued H Shares on such Alternative Stock Exchange as the Issuer may from time to time determine, and will forthwith give notice to the Bondholders in accordance with Condition 16 (*Notices*) of the listing or delisting of the H Shares (as a class) by any of such stock exchange;

(ii) it will pay the expenses of the issue and delivery of, and all expenses of obtaining listing for, H Shares arising on conversion of the Bonds (save for the Duties to be borne by any Bondholder as described in Condition 5.2.2 (*Stamp Duty etc.*));

(iii) it will not make any reduction of its registered share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund (except, in each case, as permitted by law (including but not limited to repurchase or cancellation of its shares (i) pursuant to any share incentive or share option schemes of the Issuer; (ii) as a result of its shareholders' dissent to the Issuer's merger or segregation in a shareholders' meeting and request the Issuer to repurchase its shares; (iii) for the protection of the interests of the Issuer's shareholders; and (iv) as permitted by laws and regulations and the Issuer's articles of association) provided that all or any part of the corporate action(s) comprising the reduction results in an adjustment to the Conversion Price then in effect) or would otherwise be taken into account for the purposes of determining whether such an adjustment should be made pursuant to this Condition 5; and

(iv) it will use all commercially reasonable endeavours to maintain the listing of the Bonds on the Hong Kong Stock Exchange. If the Issuer, having used such endeavours, is unable to maintain such listing or the maintenance of such listing is unduly onerous, the Issuer undertakes to use all commercially reasonable endeavours promptly to obtain and thereafter maintain a listing for the Bonds on such other stock exchange, as is commonly used for the quotation or listing of debt securities as it may reasonably determine, and the Issuer will forthwith give notice to the Bondholders in accordance with Condition 16 (*Notices*) of such change in listing.

5.4.2 In the Trust Deed, the Issuer has undertaken with the Trustee, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders:

(i) it will issue H Shares to Bondholders on exercise of Conversion Rights and ensure that it has the ability to issue free from pre-emptive or other similar rights such number of H Shares on exercise of any Conversion Right as would enable the Conversion Rights and all other rights of subscription and exchange for and conversion into H Shares to be satisfied in full and will ensure that all H Shares delivered upon conversion of the Bonds will be duly and validly issued as fully-paid and not subject to call for further funds; and

(ii) it will not make any offer, issue or distribution or take any action the effect of which would be to reduce the Conversion Price below the par value of the H Shares of the Issuer provided always that the Issuer shall not be prohibited from purchasing its H Shares to the extent permitted by law.

5.4.3 The Issuer has also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

5.5 Notice of Change in Conversion Price

The Issuer shall give notice to the Trustee and each Conversion Agent in writing and to the Bondholders in accordance with Condition 16 (*Notices*) of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

5.6 Adjustment upon Change of Control

If a Change of Control (as defined in Condition 7.5.5(ii)) shall have occurred, the Issuer shall give notice of that fact to the Bondholders (the "**Change of Control Notice**") in accordance with Condition 16 (*Notices*) and to the Trustee and the Agents in writing within 14 days after it becomes aware of such Change of Control. Following the giving of a Change of Control Notice, upon any exercise of Conversion Rights such that the relevant Conversion Date falls within the period of 30 days following the later of (i) the occurrence of the relevant Change of Control and (ii) the date on which the Change of Control Notice is given to Bondholders (such period, the "**Change of Control Conversion Period**"), the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP/(1 + (CP \times c/t))$$

Where:

NCP = the Conversion Price after such adjustment;

OCP = the Conversion Price before such adjustment. For the avoidance of doubt, OCP for the purposes of this Condition 5.6 (*Adjustment upon Change of Control*) shall be the Conversion Price applicable on the relevant Conversion Date in respect of any conversion pursuant to this Condition 5.6 (*Adjustment upon Change of Control*);

Conversion Premium ("**CP**") = 18.58 per cent. expressed as a fraction;

c = the number of days from and including the first day of the Change of Control Conversion Period to but excluding the Maturity Date; and

t = the number of days from and including the Issue Date to but excluding the Maturity Date,

provided that the Conversion Price shall not be reduced pursuant to this Condition 5.6 (*Adjustment upon Change of Control*) below the level permitted by applicable laws and regulations from time to time (if any).

If the last day of a Change of Control Conversion Period shall fall during a Restricted Transfer Period or a Restricted Conversion Period, as the case may be, the Change of Control Conversion Period shall be extended such that its last day will be the fifteenth day following the last day of the Restricted Transfer Period or the Restricted Conversion Period, as the case may be.

On the H Share Stock Exchange Business Day immediately following the last day of the Change of Control Conversion Period, the Conversion Price shall be re-adjusted to the Conversion Price in force immediately before the adjustment to the Conversion Price during the Change of Control Conversion Period.

5.7 Provisions Relating to Changes in Conversion Price

5.7.1 *Minor Adjustments*: On any adjustment, the resultant Conversion Price, if not an integral multiple of one Hong Kong cent, shall be rounded down to the nearest Hong Kong cent. No adjustment shall be made to the Conversion Price if such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made. Notice of any adjustment shall be given by the Issuer to the Bondholders in accordance with Condition 16 (*Notices*) and to the Trustee and the Agents in writing, in each case promptly after the determination thereof.

5.7.2 *Decision of an Independent Financial Advisor*: If any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to how an adjustment to the Conversion Price under Condition 5.3 (*Adjustments to Conversion Price*) or Condition 5.6 (*Adjustment upon Change of Control*) should be made, and following consultation between the Issuer and an Independent Financial Advisor, a written opinion of such Independent Financial Advisor in respect thereof shall be conclusive and binding on the Issuer, the Bondholders and the Trustee, save in the case of manifest error. Notwithstanding the foregoing, the per H Share value of any such adjustment shall not exceed the per H Share value of the dilution in the shareholders' interest in the Issuer's equity caused by such events or circumstances.

5.7.3 *Minimum Conversion Price*: Notwithstanding the provisions of this Condition 5 (*Conversion*), the Issuer undertakes that: (i) the Conversion Price shall not in any event be reduced to below the nominal or par value of the H Shares as a result of any adjustment hereunder unless under applicable law then in effect the Bonds may be converted at such reduced Conversion Price into legally issued, fully paid and non-assessable H Shares; and (ii) it shall not take any action, and shall procure that no action is taken, that would

outstanding Ordinary Shares during such 12-month period. For the avoidance of doubt, any Ordinary Shares issued in excess thereof, and only such Ordinary Shares issued in excess thereof, shall be subject to adjustment to the Conversion Price and taken into account in determining such adjustment as set out in Condition 5.3 (*Adjustments to Conversion Price*).

5.7.9 *Consideration Receivable:* For the purpose of any calculation of the consideration receivable or price pursuant to Condition 5.3.4 (*Rights Issues of Shares or Options over Shares*), Condition 5.3.6 (*Issues at Less than Current Market Price*), Condition 5.3.7 (*Other Issues at less than Current Market Price*) and Condition 5.3.8 (*Modification of Rights of Conversion etc.*), the following provisions shall apply:

(i) the aggregate consideration receivable or price for Ordinary Shares of a class issued for cash shall be the amount of such cash;

(ii) (a) the aggregate consideration receivable for Ordinary Shares of a class to be issued on the conversion, exercise or exchange of any options, warrants or other rights or securities (or following any modification thereof) shall be deemed to be the consideration received or receivable by the Issuer for any such options, warrants or other rights or securities (or following any modification thereof); (b) the aggregate consideration receivable for Ordinary Shares of a class to be issued on the exercise of rights of subscription attached to any such securities (or following any modification thereof) shall be deemed to be that part (which may be the whole) of the consideration received or receivable by the Issuer for such securities (or following any modification thereof) which is attributed by the Issuer to such rights of subscription or, if no part of such consideration is so attributed, to the Fair Market Value of such rights of subscription as at the date of the announcement of the terms of issue or modification of such securities, plus in the case of each of (a) and (b) above, the additional minimum consideration (if any) to be received by the Issuer on the conversion, exercise or exchange of such options, warrants or other rights or securities (or following any modification thereof), or on the exercise of such rights of subscription; and (c) the consideration per Ordinary Share of a class receivable by the Issuer on the conversion, exercise or exchange of, or on the exercise of such rights of subscription attached to, such options, warrants or other rights or securities (or following any modification thereof) shall be the aggregate consideration referred to in (a) or (b) above (as the case may be) divided by the number of Ordinary Shares of such class to be issued on such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate;

(iii) if the consideration or price determined pursuant to (i) or (ii) above of this Condition 5.7.9 (*Consideration Receivable*) (or any component thereof) shall be expressed in a currency other than HK dollars, it shall be converted into HK dollars at the Prevailing Rate on the relevant date;

(iv) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Ordinary Shares of a class or securities or options, warrants or rights, or otherwise in connection therewith;

(v) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity;

(vi) if as part of the same transaction, Ordinary Shares of a class shall be issued or issuable for a consideration receivable in more than one or in different currencies then the consideration receivable per Share shall be determined by dividing the aggregate consideration (determined as aforesaid and converted if and to the extent not in HK dollars, into HK dollars at the Prevailing Rate as aforesaid) by the aggregate number of Ordinary Shares so issued; and

(vii) none of the Trustee or the Agents shall be under any duty to determine, calculate or verify any entitlement of any Bondholder to any amount payable upon or following the exercise of any Conversion Right and none of them will be responsible or liable to any Bondholder or any other person for any loss arising from any failure to do so.

5.8 Definitions

For the purposes of these Conditions:

"**Alternative Stock Exchange**" means, at any time, in the case of the H Shares, if they are not at that time listed and traded on the Hong Kong Stock Exchange, the principal stock exchange or securities market on which such H Shares are then listed or quoted or dealt in;

"**Closing Price**" means, in respect of an Ordinary Share of a class for any Trading Day, the closing market price quoted by the principal stock exchange or securities market on which the Ordinary Shares of such class are then listed, admitted to trading or quoted or dealt in and, in the case of the A Shares, shall (unless otherwise determined at the relevant time) mean the Shenzhen Stock Exchange and, in the case of the H Shares, shall (unless otherwise determined at the relevant time) mean the Hong Kong Stock Exchange;

"**Current Market Price**" means, in respect of an Ordinary Share of a class on a particular date, the average of the daily Closing Price on each of the 20 consecutive Trading Days ending on and including the Trading Day immediately preceding such date and (if necessary) translated into HK dollars at the Prevailing Rate as at the relevant date; provided that:

(A) for the purposes of determining the Current Market Price pursuant to Conditions 5.3.4 (*Rights Issues of Shares or Options over Shares*) or 5.3.6 (*Issues at Less than Current Market Price*) in circumstances where the relevant event relates to an issue of Ordinary Shares, if at any time during the said 20 Trading Day-period (which may be on each of such 20 Trading Days) the Ordinary Shares of such class shall have been quoted ex-dividend (or ex- any other entitlement) and/or during some other part of that period (which may be on each of such 20 Trading Days) the Ordinary Shares of such class shall have been quoted cum-dividend (or cum- any other entitlement) then:

(i) if the Ordinary Shares of such class to be issued or transferred and delivered do not rank for the dividend (or entitlement) in question, the Closing Price on the dates on which the Ordinary Shares of such class shall have been based on a price cum-dividend (or cum-any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such dividend or entitlement per Ordinary Shares of such class; or

(ii) if the Ordinary Shares of such class to be issued or transferred and delivered rank for the dividend or entitlement in question, the Closing Price on the dates on which the Ordinary Shares of such class shall have been based on a price ex-dividend (or ex-any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by the Fair Market Value of any such dividend or entitlement per Ordinary Shares of such class,

(B) for the purpose of determining the Current Market Price of any Ordinary Shares of any class which are to be issued or may be issued pursuant to a Scrip Dividend pursuant to Condition 5.3.2(ii), if on any day during the said 20 Trading Day-period the Volume Weighted Average Price of the Ordinary Shares of such class shall have been based (A) on a price cum the Relevant Cash Dividend (and/or any other dividend or other entitlement which the Ordinary Shares of such class that may be issued pursuant to terms of such Scrip Dividend do not rank for), the Volume Weighted Average Price of an Ordinary Share of such class on any such day shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of the Relevant Cash Dividend (and/or such other dividend or other entitlement) (as at the date of first public announcement of the terms of such Relevant Cash Dividend) per Ordinary Share of such class entitled to the Relevant Cash Dividend (and/or such other dividend or other entitlement) or (B) on a price ex- the Relevant Cash Dividend, the Volume Weighted Average Price of an Ordinary Share of such class on any such day shall for the purposes of this definition be deemed to be the amount thereof (x) multiplied by the sum of one and the number of Ordinary Shares of such class which are to be issued or may be issued pursuant to such Scrip Dividend per Ordinary Share of such class entitled to the Relevant Cash Dividend and (y) reduced by the Fair Market Value of the Relevant Cash Dividend (as at the date of first public announcement of the terms of such Relevant Cash Dividend) per Ordinary Share of such class entitled to the Relevant Cash Dividend; and

(C) for any other purpose, if any day during the said 20 Trading Day-period was the ex-date in relation to any dividend (or any other entitlement) the Volume Weighted Average Prices that shall have been based on a price cum- such dividend (or cum- such entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such dividend (or other entitlement) per Ordinary Share of such class as at the date of first public announcement of the terms of such dividend (or other entitlement);

"**Capital Distribution**" means, on a per Ordinary Share basis,

(i) any distribution of assets *in specie* by the Issuer for any financial period whenever paid or

which the aggregate consideration paid (before expenses) in respect of such Ordinary Shares purchased or redeemed exceeds the product of 105 per cent. of such Current Market Price and the number of Ordinary Shares so purchased or redeemed;

"**Fair Market Value**" means, with respect to any asset, security, option, warrant or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by an Independent Financial Advisor on the basis of commonly accepted market valuation method and taking into account such factors as it considers appropriate, provided that an Independent Financial Advisor will not be required to determine the fair market value where (i) the Capital Distribution is paid in cash, in which case the fair market value of such cash Capital Distribution per Ordinary Share of the relevant class shall be the amount of such cash Capital Distribution per Ordinary Share of such class determined as at the date of announcement of such cash Capital Distribution and (ii) any other amounts are paid in cash, in which case the fair market value of such cash amount shall be the amount of cash, and (iii) options, warrants or other rights or securities are or will upon issuance be publicly traded in a market of adequate liquidity (as determined by such Independent Financial Advisor), the fair market value of such options, warrants or other rights or securities shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights or securities during the period of five trading days on the relevant market commencing on the first such trading day such options, warrants or other rights or securities are publicly traded. Such amounts, if expressed in a currency other than HK dollars shall be translated into HK dollars (a) in the case of any cash Capital Distribution, at the average benchmark exchange rate between Renminbi and HK dollars expressed to be used in respect of such cash Capital Distribution and (b) in any other case at the Prevailing Rate on such date. In addition, in the case of provisos (i) and (ii) above of this definition, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax and disregarding any associated tax credit;

"**Hong Kong Stock Exchange**" means The Stock Exchange of Hong Kong Limited or any successor thereto;

"**H Share Stock Exchange Business Day**" means any day (other than a Saturday or Sunday) on which the Hong Kong Stock Exchange or the Alternative Stock Exchange (as the case may be) is open for the business of dealing in securities;

"**Independent Financial Advisor**" means an independent investment bank or licensed financial advisor or institution of international repute (acting as an expert) selected and appointed at its own cost by the Issuer and notified in writing to the Trustee. The Trustee shall not be responsible for or under any obligation to appoint an Independent Financial Advisor and shall have no responsibility or liability for verifying any calculation, determination, certification, advice or opinion made, given or reached by it;

"**Prevailing Rate**" means, in respect of any currency on any day, the spot exchange rate between the relevant currencies prevailing as at or about 12:00 noon (Hong Kong time) on that date as appearing on or derived from the Relevant Page or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12:00 noon (Hong Kong time) on the immediately preceding day on which such rate can be so determined, provided that in the case of any cash Capital Distribution in respect of the H Shares, the "Prevailing Rate" shall be deemed to be the average benchmark exchange rate between Renminbi and HK dollars, calculated in the manner as announced by the Issuer on the Hong Kong Stock Exchange from time to time;

"**Relevant Cash Dividend**" means the aggregate cash dividend or distribution declared by the Issuer, including any cash dividend in respect of which there is any Scrip Dividend;

"**Relevant Page**" means the relevant Bloomberg BFIX page (or its successor page) or, if there is no such page, on the relevant Reuters HKDFIX page (or its successor page) or such other information service provider that displays the relevant information;

"**Scrip Dividend**" means Ordinary Shares of any class issued in lieu of the whole or any part of any Relevant Cash Dividend being a dividend which the Ordinary Shareholders concerned would or could otherwise have received and which would not have constituted a Capital Distribution (and for the avoidance of doubt, no adjustment is to be made under Condition 5.3.3 (*Capital Distributions*) in respect of the amount by which the Current Market Price of the Ordinary Shares exceeds the Relevant Cash Dividend or the relevant part thereof but without prejudice to any adjustment required in such circumstances to be made under Condition 5.3.2 (*Capitalisation of Profits or Reserves*));

"**Shenzhen Stock Exchange**" means The Shenzhen Stock Exchange;

"**Trading Day**" means in respect of an Ordinary Share of a class, a day when the principal stock exchange of such Ordinary Share is open for dealing business and, in the case of the A Shares, shall (unless otherwise determined at the relevant time) mean the Shenzhen Stock Exchange and, in the case of the H Shares, shall (unless otherwise determined at the relevant time) mean the Hong Kong Stock Exchange; provided that for the purposes of any calculation where a Closing Price is required, if no Closing Price is reported for one or more consecutive dealing days, such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days; and

"**Volume Weighted Average Price**" means, in relation to an H Share for any H Share Stock Exchange Business Day, the order book volume-weighted average price of an H Share for such H Share Stock Exchange Business Day appearing on or derived from Bloomberg screen page "1157 HK Equity VAP" (or its successor page) or, if not available on any of such screens, from such other source as shall be determined in good faith and in a commercially reasonable manner, using a volume-weighted average method, to be appropriate by an Independent Financial Advisor, provided that for any H Share Stock Exchange Business Day where such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of an H Share in respect of such H Share Stock Exchange Business Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding H Share Stock Exchange Business Day on which the same can be so determined.

References to any issue or offer or grant to Ordinary Shareholders "as a class" or "by way of rights" shall be taken to be references to an issue or offer or grant to all or substantially all Ordinary Shareholders, other than Ordinary Shareholders by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

6 PAYMENTS

6.1 U.S. dollar settlement

All amounts due under, and all claims arising out of or pursuant to, the Bonds and/or the Trust Deed from or against the Issuer shall be payable and settled in U.S. dollars only.

For the purposes of these Conditions, "**U.S. Dollar Equivalent**" means, in respect of a

For the purpose of this Condition 6.1:

"**Business Day**" means a day (other than a Saturday or a Sunday or a public holiday) on which banks are open for business in Hong Kong and New York;

"**Rate Calculation Date**" means the day which is two Business Days before the due date of the relevant amount under these Conditions;

"**Reference Dealers**" means four leading dealers engaged in the foreign exchange market of the relevant currency selected by the Issuer;

"**Spot Rate**" means, for each Rate Calculation Date, a rate determined by the Issuer as follows:

(a) in respect of the US dollar and Renminbi, the USD/CNH spot mid-rate of exchange, expressed as the amount of Renminbi per one U.S. dollar, reported by the Hong Kong Treasury Markets Association, which appears on the Bloomberg page "BFIX" at approximately 12:00 p.m. (Hong Kong time) on the Rate Calculation Date, or any such other source as the Issuer may determine which displays such rate;

(b) if no such rate is available under sub-paragraphs (a) of this definition, the Spot Rate determined by the Issuer on the basis of quotations provided by the Reference Dealers of the specified exchange rate for the Rate Calculation Date as obtained in accordance with the provisions below, or if fewer than two quotations are provided, the exchange rate for the Rate Calculation Date as shall be determined by an Independent Financial Advisor in good faith.

In determining the Spot Rate under sub-paragraph (b) of this definition, the Issuer shall request the Hong Kong office of each of the Reference Dealers to provide a quotation of what the specified screen rate would have been had it been published, reported or available for the Rate Calculation Date, based upon each Reference Dealer's experience in the foreign exchange market for Renminbi and general activity in such market on the Rate Calculation Date. The

6.2 Method of Payment

Payment of principal, Early Redemption Amount (as defined below), premium (if any) and interest will be made by transfer to the registered account of the Bondholder except in the case of any amount payable by the Issuer pursuant to Condition 5 (*Conversion*), where any amounts payable to a Bondholder will be made by transfer to a U.S. dollar account maintained by the payee, in either case in accordance with instructions given by the relevant Bondholder in the Conversion Notice. Such payment will only be made after surrender of the relevant Certificate at the specified office of any of the Agents.

Interest on Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the fifteenth day before the due date for the payment of interest (the "**Interest Iethe**

6.7 Payment Business Day

In this Condition 6 (*Payments*), "**Payment Business Day**" means a day other than a Saturday, Sunday or public holiday on which commercial banks and foreign exchange markets are open for business in New York City and the city in which the specified office of the Principal Agent is located and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

6.8 Rounding

When making payments to Bondholders, fraction of one cent will be rounded to the nearest cent (half a cent being rounded upwards).

6.9 Appointment of Agents

The initial Agents and their initial specified offices are listed below. The Issuer reserves the right at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of any Agent and appoint additional or replacement Agents provided that the Issuer shall at all times maintain (i) a Principal Agent, (ii) a Registrar, (iii) a Transfer Agent, (iv) a Conversion Agent and (v) such other agents as may be required by the stock exchange on which the Bonds may be listed, in each case, as approved in writing by the Trustee.

Notice of any changes in any Agent or their specified offices will promptly be given by the Issuer to the Bondholders in accordance with Condition 16 (*Notices*).

7 REDEMPTION, PURCHASE AND CANCELLATION

7.1 Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer will redeem each Bond at the U.S. Dollar Equivalent of 105.73 per cent. of its principal amount, together with the U.S. Dollar Equivalent of accrued and unpaid interest thereon on 5 February 2031 (the "**Maturity Date**"). The Issuer may not redeem the Bonds at its option prior to that date except as provided in Condition 7.2 (*Redemption at the Option of the Issuer*) or Condition 7.3 (*Redemption for Taxation Reasons*) below (but without prejudice to Condition 9 (*Events of Default*)).

7.2 Redemption at the Option of the Issuer

7.2.1 The Issuer may, having given not less than 30 but not more than 60 days' notice (an "**Optional Redemption Notice**") to the Bondholders, the Trustee and the Principal Agent (which notice will be irrevocable), redeem all but not some only of the Bonds at the U.S. Dollar Equivalent of the Early Redemption Amount, together with the U.S. Dollar Equivalent of accrued and unpaid interest thereon to but excluding the date fixed for redemption:

(i) at any time after 19 February 2028 but prior to the Maturity Date, provided that no such redemption may be made unless the Closing Price of an H Share, translated into Renminbi at the Prevailing Rate applicable to each H Share Stock Exchange Business Day, for any 15 H Share Stock Exchange Business Days within a period of 30 consecutive H Share Stock Exchange Business Days, the last of such H Share Stock Exchange Business Day shall occur not more than 10 days prior to the date upon which notice of such redemption is given, was, for each such 15 H Share Stock

Exchange Business Days, at least 130 per cent. of the Conversion Price (translated into Renminbi at the Fixed Exchange Rate) then in effect. If there shall occur an event giving rise to a change in the Conversion Price during any such 30 consecutive H Share Stock Exchange Business Day period, appropriate adjustments for the

7.3.2 On the Tax Redemption Date, the Issuer shall redeem the Bonds at the U.S. Dollar Equivalent of the Early Redemption Amount together with the U.S. Dollar Equivalent of interest accrued and unpaid to but excluding the Tax Redemption Date, provided that redemption under this Condition 7.3 (*Redemption for Taxation Reasons*) may not occur within seven days of the end of a Restricted Transfer Period, but otherwise may occur when the Conversion Right is expressed in these Conditions to be exercisable.

7.3.3 If the Issuer gives a notice of redemption pursuant to this Condition 7.3 (*Redemption for Taxation Reasons*), each Bondholder will have the right to elect that his Bond(s) shall not be redeemed and that the provisions of Condition 8 (*Taxation*) shall not apply in respect of any payment of principal or interest to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date whereupon no Additional Tax Amounts shall be payable in respect thereof pursuant to Condition 8 (*Taxation*) and payment of all amounts shall be made subject to the deduction or withholding of the taxation required to be withheld or deducted by the government of the PRC or Hong Kong or, in each case, any political subdivision or any authority thereof or therein having power to tax. For the avoidance of doubt, any Additional Tax Amounts which had been payable in respect of the Bonds as a result of the laws or regulations of the government of the PRC or Hong Kong or, in each case, any authority thereof or therein having power to tax prior to 28 January 2026, will continue to be payable to such Bondholders. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) Monday to Friday except for public holidays) a duly completed and signed notice of election, in the form for the time being current, obtainable from the specified office of any Paying Agent, together with the Certificate evidencing the Bonds on or before the day falling 10 days prior to the Tax Redemption Date. Such notice of election, once delivered, shall be irrevocable and may not be withdrawn without the Issuer's consent.

7.4 Redemption at the Option of the Bondholders

The holder of each Bond will have the right at such holder's option, to require the Issuer to redeem all or some only of that holder's Bonds on 5 February 2029 (the "**Put Option Date**") at the U.S. Dollar Equivalent of 103.38 per cent. of their principal amount, together with the U.S. Dollar Equivalent of interest accrued and unpaid to but excluding the Put Option Date. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) Monday to Friday except for public holidays) a duly completed and signed notice (the "**Put Option Notice**"), substantially in the form scheduled to the Agency Agreement, obtainable from the specified office of any Paying Agent, together with the Certificate evidencing the Bonds to be redeemed not earlier than 60 days and not later than 30 days prior to the Put Option Date.

A Put Option Notice, once delivered, shall be irrevocable (and may not be withdrawn unless the Issuer consents to such withdrawal) and the Issuer shall redeem the Bonds the subject of a Put Option Notice delivered as aforesaid on the Put Option Date.

7.5 Redemption for Relevant Events

7.5.1 Following the occurrence of a Relevant Event (as defined in Condition 7.5.5(vii)), the holder of each Bond will have the right at such holder's option, to require the Issuer to redeem all or some only of such holder's Bonds on the Relevant Event Put Date (as defined below) at the U.S. Dollar Equivalent of the Early Redemption Amount together with the U.S. Dollar Equivalent of interest accrued and unpaid to but excluding the Relevant Event Put Date. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying Agent during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) Monday to Friday except for public holidays) a duly completed and signed notice of redemption, substantially in the form scheduled to the Agency Agreement, obtainable from the specified office of any Paying Agent (a "**Relevant Event Put Exercise Notice**") together with the Certificate evidencing the Bonds to be redeemed by not later than 30 days following a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 16 (*Notices*). The "**Relevant Event Put Date**" shall be the fourteenth day after the expiry of such period of 30 days as referred to above in this Condition 7.5.1.

7.5.2 A Relevant Event Put Exercise Notice, once delivered, shall be irrevocable and may not be withdrawn without the Issuer's consent. The Issuer shall redeem the Bonds which form the subject of the Relevant Event Put Exercise Notices delivered as aforesaid (subject to delivery of the relevant Certificates) on the Relevant Event Put Date.

7.5.3 None of the Trustee or the Agents shall be required to monitor or take any steps to ascertain whether a Relevant Event or any event which could lead to the occurrence of a Relevant Event has occurred and none of them shall be liable to Bondholders or any other person for not doing so.

7.5.4 Not later than 14 days after becoming aware of a Relevant Event, the Issuer shall procure that notice regarding the Relevant Event shall be delivered to Bondholders (in accordance with Condition 16 (*Notices*)) and to the Trustee and the Principal Agent in writing stating:

(i) the Relevant Event Put Date;

(ii) the date of such Relevant Event and, briefly, the events causing such Relevant Event;

(iii) the date by which the Relevant Event Put Exercise Notice must be given;

(iv) the redemption amount and the method by which such amount will be paid;

(v) the names and addresses of all Paying Agents;

(vi) briefly, the Conversion Right and the then current Conversion Price;

(vii) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise their rights under this Condition 7.5 (*Redemption for Relevant Events*) or their Conversion Right; and

(viii) that a Relevant Event Put Exercise Notice, once validly given, may not be withdrawn without the Issuer's consent.

7.5.5 For the purposes of these Conditions:

(i) "**control**" means, in respect of a person (where applicable):

(a) the ownership, acquisition or control of more than 50 per cent. of the voting rights of the issued share capital of such person; or

(b) the right to appoint and/or remove all or the majority of the members of such person's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise; or

(c) the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of a person,

and the terms "**controlling**" and "**controlled**" have meanings correlative to the

Previous Redemption Amount = the Early Redemption Amount for each RMB1,000,000 principal amount on the Semi-annual Date immediately preceding the date fixed for redemption as set out below (or if the Bonds are to be redeemed prior to the first Interest Payment Date, RMB1,000,000):

Semi-annual Date	**Early Redemption Amount**
	(RMB)
5 August 2026	1,005,500.00
5 February 2027	1,011,049.50
5 August 2027	1,016,648.95
5 February 2028	1,022,298.79
5 August 2028	1,027,999.48
5 February 2029	1,033,751.47
5 August 2029	1,039,555.23
5 February 2030	1,045,411.23
5 August 2030	1,051,319.93

r = 1.80 per cent. expressed as a fraction.

d = number of days from and including the immediately preceding Semi-annual Date (or if the Bonds are to be redeemed on or before the first Interest Payment Date, from and including the Issue Date) to, but excluding, the date fixed for redemption, calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

p = 180.

AI = the accrued interest on the principal amount of RMB1,000,000 of a Bond determined in accordance with and pursuant to Condition 4 from and including the immediately preceding Interest Payment Date (or if the Determination Date is before the first Interest Payment Date, from and including the Issue Date) to but excluding the Determination Date.

7.6 Purchases

The Issuer or any of its Subsidiaries may, subject to applicable laws and regulations, at any time and from time to time purchase Bonds at any price in the open market or otherwise. The Bonds so acquired, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle them to convert the Bonds in accordance with these Conditions nor shall such Bonds be deemed to be outstanding for the purposes of, among other things, calculating quorums at meetings of the Bondholders and exercising any voting rights with respect to such Bonds and Conditions 9 (*Events of Default*), 11 (*Meetings of Bondholders, Modification and Waiver*) and 13 (*Enforcement*).

7.7 Cancellation

All Bonds which are repurchased, redeemed or converted or purchased by or on behalf of the Issuer or its Subsidiaries will forthwith be cancelled. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold. For the avoidance of doubt, all or any Bonds which are purchased by or on behalf of the Issuer's Subsidiaries may be resold in any manner and at any price in compliance with relevant laws and regulations (including any applicable rules of the relevant stock exchange).

7.8 Redemption Notices

All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition 7 (*Redemption, Purchase and Cancellation*) will be irrevocable and will be given in accordance with Condition 16 (*Notices*) specifying: (i) the Conversion Price as at the date of the relevant notice; (ii) the last day on which Conversion Rights may be exercised; (iii) the principal and/or premium (if any) together with accrued and unpaid interest up to but excluding the relevant redemption date payable; (iv) the date fixed for redemption; (v) the manner in which redemption will be effected; and (vi) the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of the notice.

If more than one notice of redemption is given (being a notice given by either the Issuer or a Bondholder pursuant to these Conditions), the first in time shall prevail.

Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying the calculations of any amount payable on redemption of the Bonds pursuant to this Condition 7 (*Redemption, Purchase and Cancellation*) or have any duty to verify the accuracy, content, completeness, validity and/or genuineness of any certificates, confirmations or documents in relation to or in connection to any such redemption or the exercise of any right of redemption or to require redemption and none of them shall be liable to the Bondholders or any other person for not doing so.

8 TAXATION

8.1 All payments made by or on behalf of the Issuer in respect of the Bonds will be made free from any set-off, counterclaim, restriction or condition and will 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, levied, collected, withheld or assessed by or on behalf of the PRC or Hong Kong or, in each case, any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law. Where such withholding or deduction is made by the Issuer by or within the PRC up to and including the aggregate rate applicable on 28 January

2026 (the "**Applicable Rate**"), the Issuer will increase the amounts paid by it to the extent required, so that the net amount received by Bondholders equals the amounts which would otherwise have been receivable by them had no such withholding or deduction been required. If the Issuer is required to make a deduction or withholding in respect of PRC tax in excess of the Applicable Rate, or any Hong Kong deduction or withholding is required, in such event the Issuer shall pay such additional amounts ("**Additional Tax Amounts**") as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Tax Amounts shall be payable in respect of any Bond:

8.1.1 to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with the PRC or Hong Kong, as the case may be, otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond or where the withholding or deduction could be avoided by the holder making a declaration of non-residence or other similar claim for exemption to the appropriate authority which such holder is legally capable and competent of making but fails to do so; or

8.1.2 where the withholding or deduction could be avoided by the holder or beneficial owner making a declaration of non-residence or other similar claim for exemption to the appropriate authority or any other person which such holder is legally capable and competent of making but fails to do so; or

8.1.3 (in the case of a payment of principal) if the Certificate in respect of such Bond is surrendered more than 30 days after the Relevant Date except to the extent that the holder would have been entitled to such additional amount on surrendering the relevant Certificate for payment on the last day of such period of 30 days.

8.2 "**Relevant Date**" means whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received by the Trustee or the Principal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders and payment made.

8.3 References in these Conditions to principal, premium and interest shall be deemed also to refer to any additional amounts or premiums which may be payable under these Conditions or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

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

9 EVENTS OF DEFAULT

The Trustee at its discretion may, and if so requested in writing by the holders of not less than 25 per cent. in aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (subject in any such case to being indemnified and/or secured and/or pre-funded to its satisfaction), give notice to the Issuer that the Bonds are, and they shall

9.6 *Enforcement Proceedings:* a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets or revenues of the Issuer or any of its Principal Subsidiaries and is not discharged or stayed within 45 days; or

9.7 *Winding-up*: an order is made or an effective resolution passed for the winding-up or dissolution, judicial management or administration of the Issuer or any Principal Subsidiary, or the Issuer or any Principal Subsidiary ceases or threatens to cease to carry on all or substantially all of its business or operations (other than, in the case of a Principal Subsidiary, for the purposes of or pursuant to a reconstruction, amalgamation, reorganisation, merger or consolidation whilst solvent or as a result of disposal on arm's length terms or as approved by an Extraordinary Resolution of the Bondholders); or

9.8 *Security Enforced*: any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Principal Subsidiaries on any material part of their respective property, assets or revenues becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) and is not discharged within 45 days; or

9.9 *Illegality*: it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or the Trust Deed; or

9.10 *Authorisation and Consents*: any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done by the Issuer in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Bonds and the Trust Deed, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Bonds and the Trust Deed admissible in evidence in the courts of the PRC or Hong Kong is not taken, fulfilled or done; or

9.11 *Nationalisation*: any step is lawfully taken by any competent governmental authority with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a substantial part of the assets of the Issuer or any Principal Subsidiary; or

9.12 *Analogous Event*: any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of Conditions 9.6 (*Enforcement Proceedings*) to 9.8 (*Security Enforced*) (both inclusive) or Condition 9.11 (*Nationalisation*).

The Trustee and the Agents shall not be bound to take any steps to ascertain whether any Event of Default or any condition, event or act which with the giving of notice and/or the lapse of time and/or fulfilment of any other conditions and/or the making of any determination would constitute an Event of Default has happened and none of them shall be responsible or liable to Bondholders or any other person for not doing so.

9.13 For purposes of this Condition 9 (*Events of Default*), "**Principal Subsidiary**" means any Subsidiary of the Issuer:

(i) whose total revenue (consolidated in the case of a Subsidiary which itself has Subsidiaries)

to be a Principal Subsidiary and the Subsidiary to which the assets are so transferred shall immediately become a Principal Subsidiary, provided that on or after the date on which the first published audited accounts (consolidated, if appropriate) of the Issuer prepared as of

11.2 Modification and Waiver

The Trustee may (but shall not be obliged to) agree, without the consent of the Bondholders, to (i) any modification (except as mentioned in the Trust Deed) to, or the waiver or authorisation of any breach or proposed breach of, the Bonds, the Agency Agreement or the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders or (ii) any modification to the Bonds, the Agency Agreement or the Trust Deed which, in the Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation will be binding on the Bondholders and, unless the Trustee agrees otherwise, any such modification, waiver or authorisation will be notified by the Issuer to the Bondholders as soon as practicable thereafter.

11.3 Interests of Bondholders

In connection with the exercise of its functions, rights, powers and discretions (including but not limited to those in relation to any proposed modification, authorisation or, waiver) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require on behalf of any Bondholder, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders except to the extent provided for in Condition 8 (*Taxation*) and/or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

12 REPLACEMENT OF CERTIFICATES

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar or any Transfer Agent, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and such indemnity and/or security as the Issuer and/or such Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

13 ENFORCEMENT

At any time when the Bonds become due and payable, the Trustee may, at its discretion and without further notice, take such steps and/or actions and/or institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Agency Agreement and the Bonds, but it need not take any such steps and/or actions and/or institute any such proceedings unless (i) it shall have been so directed by an Extraordinary Resolution or shall have been so requested in writing by the holders of not less than 25 per cent. in principal amount of the Bonds then outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and such failure is continuing.

14 INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including without limitation from taking steps and/or actions and/or instituting proceedings to enforce payment unless indemnified and/or secured and/or prefunded of its satisfaction and entitling the Trustee to be paid or reimbursed for any fees, costs, expenses, indemnity payments and for liabilities incurred by it, in priority to the claims of the Bondholders. The Trustee and its affiliates are entitled to enter into business transactions with the Issuer and any entity related (directly or indirectly) to the Issuer without accounting for any profit.

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

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

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer and any other person appointed by the Issuer in relation to the Bonds of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Bondholder or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Bondholders. The Trustee shall be entitled to rely on any direction, request or resolution of Bondholders given by holders of the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed. Neither the Trustee nor any of the Agents shall be under any obligation to ascertain whether any Relevant Event, Event of Default or Potential Event of Default has occurred or monitor compliance by the Issuer with the provisions of the Trust Deed, the Agency Agreement or these Conditions and none of them shall be responsible or liable to the Issuer, the Bondholders or any other person for not doing so. Each of the Trustee and the Agents shall be entitled to assume that no Relevant Event, Event of Default or Potential Event of Default has occurred until it has received written notice to the contrary from the Issuer.

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

18.3 Waiver of Immunity

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

SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM

The Global Certificate will contain provisions which apply to the Bonds in respect of which the Global Certificate is issued, some of which modify the effect of the Terms and Conditions set out in this Offering Circular. Terms defined in the Terms and Conditions have the same meaning in the paragraphs below. The following is a summary of those provisions.

The Bonds will be evidenced by a Global Certificate registered in the name of a nominee of, and deposited with, a common depositary for Euroclear and Clearstream.

Promise to Pay

Under the Global Certificate, the Issuer promises to pay such principal, interest and such other sums and additional amounts (if any) as may be payable under the Terms and Conditions on the Bonds to the holder of the Bonds on such date or dates as the same may become payable in accordance with the Terms and Conditions.

Each payment will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the due date for payment, where "**Clearing System Business Day**" means a weekday (Monday to Friday, inclusive) except for 25 December and 1 January.

Calculation of Interest

So long as the Bonds are represented by the Global Certificate and such Global Certificate is held on behalf of a clearing system, the Issuer has promised, *inter alia*, to pay interest in respect of such Bonds from and including the Issue Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Terms and Conditions, save that the calculation is made in respect of the total aggregate amount of the Bonds represented by such Global Certificate.

Exchange of Bonds Evidenced by Global Certificates

Owners of interests in the Bonds in respect of which the Global Certificate is issued will be entitled to have title to the Bonds registered in their names and to receive individual definitive Certificates if either Euroclear or Clearstream or any other clearing system selected by the Issuer and approved in writing by the Trustee, the Principal Agent and the Registrar (an "**Alternative Clearing System**") through which the Bonds are held 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. In such circumstances, the Issuer at its own expense will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant holders of the Bonds. A person with an interest in the Bonds in respect of which the Global Certificate is issued must provide the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

Meetings

For the purposes of any meeting of Bondholders, each holder of the Bonds represented by the Global Certificate shall (unless the Global Certificate represents only one Bond) be treated as two persons for the purposes of any quorum requirements of a meeting of Bondholders and as being entitled to one vote in respect of each RMB1,000,000 in principal amount of the Bonds.

Conversion

Subject to the requirements of Euroclear and Clearstream (or, as the case may be, any Alternative Clearing System), the Conversion Rights attaching to the Bonds in respect of which the Global Certificate is issued may be exercised by the presentation thereof to or to the order of the Principal Agent of one or more Conversion Notices duly completed by or on behalf of a holder of a book-entry interest in such Bonds. Deposit of this Global Certificate with the Principal Agent together with the relevant Conversion Notice(s) shall not be required. The exercise of the Conversion Right shall be notified by the Principal Agent to the Registrar and the holder of this Global Certificate.

Notices

So long as the Bonds are evidenced by the Global Certificate and the Global Certificate is held on behalf of Euroclear and Clearstream or any Alternative Clearing System, notices to holders of the Bonds may be given by their being delivered to Euroclear and Clearstream or, as the case may be, any Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Bonds rather than by publication as required by the Terms and Conditions and shall be deemed to have been given on the date of delivery to Euroclear and Clearstream or, as the case may be, any Alternative Clearing System.

Issuer's Redemption

Any option of the Issuer provided for in the Terms and Conditions shall be exercised by the Issuer giving notice to the Bondholders and to Euroclear and Clearstream (or, as the case may be, any Alternative Clearing System) (or procuring that such notice is given on its behalf) within the time limits set out in and containing the information required by the Terms and Conditions.

Bondholder's Redemption

The Bondholder's redemption options in Conditions 7.4 (*Redemption at the Option of the Bondholders*) of the Terms and Conditions and 7.5 (*Redemption for Relevant Event*) of the Terms and Conditions may be exercised by the holder of the Global Certificate giving notice to any Paying Agent of the principal amount of Bonds in respect of which the relevant option is exercised and presenting the Global Certificate for endorsement or exercise within the time limits specified in the Terms and Conditions.

Notice of exercise received within the time limits specified in the Terms and Conditions by the relevant Paying Agent from or on behalf of a holder of a book-entry interest in the relevant Bonds will be accepted by the Issuer as having been given by the holder as to the principal amount of Bonds in respect of which it is given (but without double counting), and whether or not the Global

Certificate is presented for endorsement therewith. Following the exercise of any such option, the Issuer shall procure that the principal amount of the Bonds recorded in the records of Euroclear or Clearstream (or, as the case may be, any Alternative Clearing System) and represented by the Global Certificate shall be reduced accordingly.

Transfers

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

Cancellation

On cancellation of any Bond represented by the Global Certificate that is required by the Terms and Conditions to be cancelled (other than upon its redemption), the Issuer acknowledges that details of such cancellation shall be entered in the records of the relevant Clearing Systems in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System, as the case may be) and, upon any such entry being made, the principal amount of the Bonds recorded in the records of the relevant Clearing Systems and represented by the Global Certificate shall be reduced by the aggregate principal amount of the Bonds so cancelled.

Trustee's Powers

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

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TAXATION

The following summary of certain PRC and Hong Kong S.A.R tax consequences of the purchase, ownership and disposition of the Bonds is based upon applicable laws, regulations, rulings and decisions in effect as at the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Bonds and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Neither these statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any holder of the Bonds or any person acquiring, selling or otherwise dealing in the Bonds or on any tax implications arising from the acquisition, sale or other dealings in respect of the Bonds. Persons considering the purchase of the Bonds should consult their own tax advisors concerning the tax consequences of the purchase, ownership and disposition of the Bonds.

PRC

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

Income Tax

According to the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》) ("**PRC EIT Law**") promulgated by the National People's Congress of the PRC (中華人民共和國全國人民代表大會) on March 16, 2007, and most recently amended on 29 December 2018 and effective from the same date and the Enterprise Income Tax Implementation Regulations of the PRC (《中華人民共和國企業所得稅法實施條例》) promulgated by the State Council on December 6, 2007, and most recently amended on 6 December 2024 and effective from 20 January 2025, enterprises are classified

Value-Added Tax

On 23 March 2016, the Ministry of Finance and the State Taxation Administration promulgated the Circular of Taxation on Implementing the Pilot Program of Replacing Business Tax with Value-Added Tax in an All-round Manner, or Circular 36, which was further revised in 2017 and 2019. According to Circular 36, from 1 May 2016, VAT replaced business tax in all industries on a nationwide basis. On 25 December 2024, the 13th meeting of the Standing Committee of the 14th National People's Congress passed the Value-Added Tax Law of the People's Republic of China (《中華人民共和國增值稅法》), which became effective on 1 January 2026.

Pursuant to Circular 36 and other regulations, provision of services within the PRC is subject to VAT, and income derived from the usage and borrowing of funds, including interest income derived during the holding (including maturity) of financial products, is subject to VAT under the category of "lending services." VAT applies to lending services where the taxable turnover is the gross amount of the interest income and any income in the nature of interest. The transfer of financial products, including transfer of the ownership of marketable securities, is subject to VAT on the taxable turnover which is the balance of the sales price less the purchase price. With respect to the taxable items mentioned above, for a general VAT taxpayer, output VAT shall be calculated at 6% of the taxable turnover and VAT payable shall be the difference between output VAT and input VAT in the same taxable period. In practice, the Bonds will generally be treated as a type of loan by the PRC tax authorities and, therefore, the holders of the Bonds are likely to be treated as providing lending services to us. The Issuer, which is the service recipient, is a PRC corporation. The PRC tax authorities may take the view that the holders of the Bonds are providing lending services within the PRC, the interest payable by us to the holders of the Bonds may be subject to VAT at a current rate of 6%. Where the holders of the Bonds who are located outside of the PRC resell the Bonds to an entity or individual located outside of the PRC, VAT is unlikely to be applicable to such transfer.

However, there is uncertainty as to whether gains derived from a sale or exchange of Bonds consummated outside of the PRC between non-PRC resident Bondholders will be subject to VAT. VAT is unlikely to be applicable to any transfer of Bonds between entities or individuals located outside of the PRC and therefore unlikely to be applicable to gains realised upon such transfers of Bonds, but there is uncertainty as to the applicability of VAT if either the seller or buyer of Bonds is located inside the PRC. Circular 36 together with other laws and regulations pertaining to VAT are relatively new, and the interpretation and enforcement of such laws and regulations involve uncertainties.

The above statements may be subject to further change upon the issuance of further clarification rules and/or different interpretation by the PRC tax authorities. There is uncertainty as to the application of Circular 36. Potential holders should consult their tax advisors with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction.

Stamp Duty

No PRC stamp duty will be chargeable upon the issue or transfer of the Bonds or H Shares (if the register of the Holders is maintained outside the PRC and the issue or transfer of the Bonds or H Shares are made outside of the PRC).

HONG KONG

In addition, with effect from 1 January 2024, pursuant to various foreign-sourced income exemption legislation in Hong Kong (the "**FSIE Amendments**"), certain specified foreign-sourced income (including interest, dividend, disposal gain or intellectual property income, in each case, arising in or derived from a territory outside Hong Kong) accrued to an MNE entity (as defined in the FSIE Amendments) carrying on a trade, profession or business in Hong Kong is regarded as arising in or derived from Hong Kong and subject to Hong Kong profits tax when it is received in Hong Kong. The FSIE Amendments also provide for relief against double taxation in respect of certain foreign-sourced income and transitional matters.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisors to ascertain the applicability of any exemptions to their individual position.

Stamp duty

No Hong Kong stamp duty will be chargeable upon the issue or transfer of a Bond.

SUBSCRIPTION AND SALE

The Issuer has entered into a subscription agreement with the Joint Lead Managers dated 29 January 2026 (the "**Subscription Agreement**") pursuant to which, and subject to certain conditions contained in the Subscription Agreement, the Issuer has agreed to sell to the Joint Lead Managers, and the Joint Lead Managers have agreed to severally, but not jointly, subscribe and pay for the aggregate principal amount of the Bonds set forth opposite its name below:

Joint Lead Manager	**Principal amount of the Bonds to be subscribed**
Huatai Financial Holdings (Hong Kong) Limited	RMB2,000,000,000
The Hongkong and Shanghai Banking Corporation Limited	RMB2,000,000,000
Morgan Stanley Asia Limited	RMB2,000,000,000
Total	**RMB6,000,000,000**

The Subscription Agreement provides that the Issuer will indemnify the Joint Lead Managers and their affiliates against certain liabilities in connection with the offer and sale of the Bonds. The Subscription Agreement provides thatthatovidesthatovidesthato]TJT*[(Sertain)-3625conditions
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(except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the Bonds.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Joint Lead Managers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Bonds, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks 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.

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: projectcreation@htsc.com, creation2025@hsbc.com.hk, pj_creation_wg@morganstanley.com

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the

required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The Joint Lead Managers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Joint lead Manager with such evidence within the timeline requested.

GENERAL

The distribution of this Offering Circular or any offering material and the offering, sale or delivery of the Bonds 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. No action has been taken or will be taken in any jurisdiction that would permit a public offering of the Bonds, or possession or distribution of this Offering Circular or any amendment or supplement thereto or any other offering or publicity material relating to the Bonds, in any country or jurisdiction where action for that purpose is required.

UNITED STATES

The Bonds and the Shares to be issued upon conversion of the Bonds have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States.

The Bonds and the Shares to be issued upon conversion of the Bonds are being offered and sold outside of the United States in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of the Bonds, an offer or sale of the Bonds or the Shares to be issued upon conversion of the Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

PROHIBITION OF SALES TO THE EEA RETAIL INVESTORS

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the European Economic Area. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

SINGAPORE

Each Joint Lead Manager has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented and agreed that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds or cause the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

JAPAN

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

GENERAL INFORMATION

CLEARING SYSTEMS

The Bonds have been accepted for clearance through Euroclear and Clearstream under Common Code Number 327961756, and the International Securities Identification Number for the Bonds is XS3279617560.

LISTING OF BONDS

Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange by way of debt issues to Professional Investors only and such permission is expected to become effective on 6 February 2026.

LISTING OF H SHARES

Application will be made to the Hong Kong Stock Exchange for the listing of the H Shares arising on conversion of the Bonds. It is expected that permission to deal in, and listing of, such H Shares on the Hong Kong Stock Exchange will commence when they are issued.

THE COMPANY

Zoomlion Heavy Industry Science and Technology Co., Ltd.

Registered address and place of business of the Issuer
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