

Supplemental Listing Document

If you are in any doubt as to any aspect of this document, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, accountant or other professional adviser.

Application has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in and for quotation of the Certificates (as defined below). The SGX-ST assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of SG Issuer, Société Générale, the Certificates, or the Company (as defined below).

2,000,000 European Style Structured Certificates (Autocallable Certificates) relating to

the ordinary H shares of China Merchants Bank Co., Ltd.

issued by

SG Issuer

(Incorporated in Luxembourg with limited liability)

unconditionally and irrevocably guaranteed by

Société Générale

Issue Price: S\$1.00 per Certificate

This document is published for the purpose of obtaining a listing of all the above certificates (the “**Certificates**”) to be issued by SG Issuer (the “**Issuer**”) unconditionally and irrevocably guaranteed by Société Générale (the “**Guarantor**”), and is supplemental to and should be read in conjunction with a base listing document dated 14 June 2024 including such further base listing documents as may be issued from time to time (the “**Base Listing Document**”), for the purpose of giving information with regard to the Issuer, the Guarantor and the Certificates. Information relating to the Company (as defined below) is contained in this document.

This document does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase, Certificates or other securities of the Issuer, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration the Certificates or other securities of the Issuer.

Restrictions have been imposed on offers and sales of the Certificates and on distributions of documents relating thereto in Singapore, Hong Kong, the European Economic Area, the United Kingdom and the United States (see “Placing and Sale” contained herein).

The Issuer is obliged to deliver the cash settlement amount (if any) under the terms and conditions of the Certificates upon the termination or expiry, as the case may be. No deposit liability or debt obligation is created of any kind by the issue of the Certificates. The Certificates are not a deposit or other obligation of the Issuer or any other Societe Generale group entity.

The Certificates are structured products issued in the form of a call warrant and are therefore complex products, subject to fluctuation in value. The Certificates are subject to investment risks, including the possible loss of the entire amount invested. Any losses will be borne by you directly. Accordingly, the Certificates are not an alternative to simpler products such as a fixed deposit or plain vanilla bond.

The Certificates are complex products. You should exercise caution in relation to them. Investors are warned that the price of the Certificates may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. The price of the Certificates also depends on the supply and demand for the Certificates in the market and the price at which the Certificates is trading at any time may differ from the underlying valuation of the Certificates because of market inefficiencies. It is not possible to predict the secondary market for the Certificates. Although the Issuer, the Guarantor and/or any of their affiliates may from time to time purchase the Certificates or sell additional Certificates on the market, the Issuer, the Guarantor and/or any of their affiliates are not obliged to do so. Investors should also note that they may only benefit from a partial participation in the positive performance of the Underlying Stock. The potential payout, and therefore the potential profits which may be realised by investing in the Certificates is capped at **the sum of (i) 100% of the Notional Amount (as defined below) of the Certificates and (ii) the Distribution(s).**

The Certificates are classified as capital markets products other than prescribed capital markets products¹ and Specified Investment Products (SIPs)², and may only be sold to retail investors with enhanced safeguards, including an assessment of such investors' investment knowledge or experience. All investors need to be SIP-qualified in order to invest in the Certificates. The Certificates are generally not suitable for vulnerable investors. The Certificates are for investors who are willing to accept the risk of substantial losses up to a total loss of their investment, possibly within a relatively short timeframe. Certificate holders should also have sufficient understanding of the Certificates. They should possess either a high level of financial markets knowledge or sufficient product and investment experience to properly evaluate and assess the Certificates' structure, associated risks, valuation, costs and expected returns.

The Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the guarantee dated 14 June 2024 (the "**Guarantee**") and entered into by the Guarantor constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person, and if you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person.

Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. It is expected that dealings in the Certificates will commence on or about 1 August 2024.

The Issuer and the Guarantor have entered into a Master Agency Agreement dated 22 April 2022 (the "**Master Agency Agreement**") and, under the Master Agency Agreement, the Guarantor will be acting as the "**Placing Agent**" for the Certificates and undertakes to reasonably endeavour to procure placees for the Certificates. The Placing Agent may enter into sub-placing agreements with financial institutions in Singapore (the "**Sub-Placing Agents**") relating to distributing the Certificates to

¹ As defined in the Securities and Futures (Capital Markets Products) Regulations 2018.

² As defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.

retail investors during the Launch Date (as defined below) and the Expected Listing Date (as defined below).

As of the date hereof, the Guarantor's long term credit rating by S&P Global Ratings is A, and by Moody's Investors Service, Inc. is A1.

The Issuer is regulated by the Luxembourg Commission de Surveillance du Secteur Financier on a consolidated basis and the Guarantor is regulated by, *inter alia*, the Autorité des Marchés Financiers, the Autorité de Contrôle Prudentiel et de Résolution and the European Central Bank.

31 July 2024

Subject as set out below, the Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this document and the Base Listing Document in relation to themselves and the Certificates. To the best of the knowledge and belief of the Issuer and the Guarantor (each of which has taken all reasonable care to ensure that such is the case), the information contained in this document and the Base Listing Document for which they accept responsibility (subject as set out below in respect of the information contained herein with regard to the Company) is in accordance with the facts and does not omit anything likely to affect the import of such information. The information with regard to the Company as set out herein is extracted from publicly available information. The Issuer and the Guarantor accept responsibility only for the accurate reproduction of such information. No further or other responsibility or liability in respect of such information is accepted by the Issuer and the Guarantor.

No person has been authorised to give any information or to make any representation other than those contained in this document in connection with the offering of the Certificates, and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer or the Guarantor. Neither the delivery of this document nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer, the Guarantor or their respective subsidiaries and associates since the date hereof.

This document does not constitute an offer or invitation by or on behalf of the Issuer or the Guarantor to purchase or subscribe for any of the Certificates. The distribution of this document and the offering of the Certificates may, in certain jurisdictions, be restricted by law. The Issuer and the Guarantor require persons into whose possession this document comes to inform themselves of and observe all such restrictions. In particular, the Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the “**CFTC**”) under the United States Commodity Exchange Act of 1936, as amended and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. A further description of certain restrictions on offering and sale of the Certificates and distribution of this document is given in the section headed “Placing and Sale” contained herein.

The SGX-ST has made no assessment of, nor taken any responsibility for, the financial soundness of the Issuer or the Guarantor or the merits of investing in the Certificates, nor have they verified the accuracy or the truthfulness of statements made or opinions expressed in this document.

The Issuer, the Guarantor and/or any of their affiliates may repurchase Certificates at any time on or after the date of issue and any Certificates so repurchased may be offered from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in

negotiated transactions, at the discretion of the Issuer, the Guarantor and/or any of their affiliates. Investors should not therefore make any assumption as to the number of Certificates in issue at any time.

References in this document to the “**Conditions**” shall mean references to the Terms and Conditions of the European Style Structured Certificates contained in the Base Listing Document. Terms not defined herein shall have the meanings ascribed thereto in the Conditions.

Table of Contents

	<i>Page</i>
Risk Factors	7
Terms and Conditions of the Certificates	18
Terms and Conditions of the European Style Structured Certificates	26
Summary of the Issue	46
Information relating to the European Style Structured Certificates (Autocallable Certificates)	49
Information relating to the Company	60
Information relating to the Designated Market Maker	61
Supplemental Information relating to the Guarantor	63
Supplemental General Information	64
Placing and Sale	66
Appendix	

RISK FACTORS

The following are risk factors relating to the Certificates:

- (a) investment in Certificates involves substantial risks including market risk, liquidity risk, and the risk that the Issuer and/or the Guarantor will be unable to satisfy its/their obligations under the Certificates. Investors should ensure that they understand the nature of all these risks before making a decision to invest in the Certificates. You should consider carefully whether Certificates are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. Certificates are not suitable for inexperienced investors;
- (b) the Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the Guarantee constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person. In particular, it should be noted that the Issuer issues a large number of financial instruments, including Certificates, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person;
- (c) since the Certificates relate to the price of the Underlying Stock (as defined below), certain events relating to the Underlying Stock may cause adverse movements in the value and the price of the Underlying Stock, as a result of which, the Certificate Holders (as defined in the Conditions of the Certificates) may sustain a significant loss of their investment if the price of the Underlying Stock has fallen sharply on the Expiry Date. In some extreme circumstances, the Certificate Holders may even sustain a total loss of their investment;
- (d) due to their nature, the Certificates can be volatile instruments and may be subject to considerable fluctuations in value. The price of the Certificates may fall in value as rapidly as it may rise due to, including but not limited to, the price and volatility of the Underlying Stock, dividends and interest rate, the time remaining to expiry, the currency exchange rates and the creditworthiness of the Issuer and the Guarantor, and investors may sustain a total loss of their investment.

Investors should note that they may only benefit from a partial participation in the positive performance of the Underlying Stock. The potential payout, and therefore the potential profits which may be realised by investing in the Certificates is capped at the sum of (i) 100% of the Notional Amount of the Certificates (as defined below) and (ii) the Distribution(s);

- (e) the occurrence of the Knock-in Event (as defined below) will be determined only when the closing price of the Underlying Stock on the Knock-in Observation Date (as defined below) is available, which may not be during the trading hours of the Relevant Stock Exchange for the Certificates (as defined below). Investors should note that the Knock-in Event may occur during the SGX-ST trading hours and that while the Issuer will make an appropriate announcement, this announcement will take place after the occurrence of the Knock-in Event and may be after the SGX-ST trading hours. In addition, upon the occurrence of the Knock-in Event, the value of the Certificates may be adversely affected;
- (f) if, whilst any of the Certificates remain unexercised, trading in the Underlying Stock is suspended or halted on the relevant stock exchange, trading in the Certificates may be suspended for a similar period. In the event that a Distribution is payable and the announcement

announcing such Distribution is not published on SGXNet by 8:00 a.m. (Singapore time) on the Business Day immediately following the corresponding Observation Date of such Distribution (if such Observation Date does not fall on the Valuation Date), the trading in the Certificates may be suspended until the publication of such announcement on SGXNet;

- (g) as indicated in the Conditions of the Certificates and herein, a Certificate Holder must tender a specified number of Certificates at any one time in order to exercise. Thus, Certificate Holders with fewer than the specified minimum number of Certificates in a particular series will either have to sell their Certificates or purchase additional Certificates, incurring transactions costs in each case, in order to realise their investment;
- (h) Physical Settlement (as defined below) is subject to various conditions, including, without limitation, valid Election Notice (as defined below) for an integral multiple of a Physical Delivery Lot (as defined below) being delivered to the Physical Delivery Agent (as defined below) within the prescribed time frame by the Onboarded Investors (as defined below), Physical Settlement Authorisation (as defined below) being delivered to the Issuer within the prescribed time frame by the Physical Delivery Agent and Occurrence of Physical Settlement Event (as defined below);
- (i) all matters relating to Onboarding (as defined below) are subject to the sole and absolute discretion of the Physical Delivery Agent. Onboarding will not complete and the Other Investors will not be entitled to deliver the Election Notice to the Physical Delivery Agent if, among others:
 - (i) the Physical Delivery Agent rejects the Other Investor's application to open an account with it for whatsoever reason;
 - (ii) by the Onboarding Completion Date (as defined below), the Physical Delivery Agent does not establish business relations with the Other Investor for any reason;
 - (iii) the requisite requirements prescribed by the Physical Delivery Agent for the delivery of the Physical Settlement Stock (as defined below) (including, without limitation, the deposit of the relevant Certificates into the securities account designated by the Physical Delivery Agent by the Onboarding Completion Date) have not been fulfilled; or
 - (iv) the delivery of the Physical Settlement Stock to the Other Investor may infringe any applicable law, regulation or rule or necessitate compliance with conditions or requirements which the Physical Delivery Agent, in its absolute discretion, determines to be onerous or impracticable by reason of costs, delay or otherwise;
- (j) the Physical Delivery Agent may determine that no Physical Settlement Authorisation (as defined below) shall be delivered in respect of the Certificates for which a valid Election Notice has been received. Upon receipt of a valid Election Notice, the Physical Delivery Agent may determine that no Physical Settlement Authorisation shall be delivered in respect of such Certificates if the delivery of the Physical Settlement Stock to the Onboarded Investors (as defined below) may infringe any applicable law, regulation or rule or necessitate compliance with conditions or requirements which the Physical Delivery Agent, in its absolute discretion, determines to be onerous or impracticable by reason of costs, delay or otherwise;
- (k) the Issuer may determine that the Certificates in respect of which a Physical Settlement Authorisation has been provided shall not be physically settled. Upon the occurrence of a Physical Settlement Event (as defined below), the Issuer is entitled (but not obliged) to physically settle in accordance with the Conditions those Certificates in respect of which it has received a Physical Settlement Authorisation. Without prejudice to the generality of the

foregoing, the Issuer may determine that the Certificates in respect of which a Physical Settlement Authorisation has been provided shall not be physically settled where:

- (i) no Physical Settlement Event has occurred; and/or
 - (ii) the delivery of the Physical Settlement Stock to the Physical Delivery Agents and/or the Onboarded Investors may infringe any applicable law, regulation or rule or necessitate compliance with conditions or requirements which the Issuer, in its absolute discretion, determines to be onerous or impracticable by reason of costs, delay or otherwise;
- (l) If the Physical Settlement is applicable, Onboarded Investors will only be able to receive the Physical Settlement Stock after the Physical Delivery Agent's receipt of the same from the Issuer on the Physical Settlement Date (as defined below), and it will always be later than the date when Onboarded Investors could receive the Cash Settlement Amount if the Certificates are cash settled. When the Onboarded Investors will receive the Physical Settlement Stock and the Cash Residual Amount (as defined below) from the Physical Delivery Agent would be subject to the agreements or arrangements between the Physical Delivery Agent and the Onboarded Investors. Please consult your selected Physical Delivery Agent for further details;
- (m) If the Physical Settlement is applicable, Onboarded Investors may receive the Physical Settlement Stock and be exposed to the market risk of holding the Underlying Stock after the Valuation Date. Please note that the value of the Physical Settlement Stock after the Valuation Date together with the Cash Residual Amount may be less than the Cash Settlement Amount which Onboarded Investors could receive if the Certificates are cash settled;
- (n) investors should note that in the event of there being a Market Disruption Event (as defined in the Conditions) determination or payment of the Cash Settlement Amount (as defined below) and the Distribution(s) (as defined below) may be delayed, all as more fully described in the Conditions;
- (o) investors should note that, in the event of there being a Settlement Disruption Event (as defined in the Conditions), physical delivery of the Physical Settlement Stock may be delayed, as more fully described in the Conditions. Investors should also note that in the event the Issuer determines to physically settle the relevant Certificates, upon occurrence of a Settlement Disruption Event, the Issuer retains the discretion to cash settle the relevant Certificates in the circumstances described in the Conditions;
- (p) certain events relating to the Underlying Stock require or, as the case may be, permit the Issuer to make certain adjustments or amendments to the Conditions. Investors may refer to the "Information relating to the European Style Structured Certificates (Autocallable Certificates)" section of this document for examples and illustrations of adjustments that may be made to the terms of the Certificates due to certain corporate actions on the Underlying Stock;
- (q) the Certificates are only exercisable on the Expiry Date or the Early Expiry Date (as defined below), as the case may be, and may not be exercised by Certificate Holders prior to such date. In the event that there is non-occurrence of an Automatic Early Expiry (as defined below), if on the Expiry Date the Cash Settlement Amount is zero and no Distribution is payable, a Certificate Holder will lose the value of his investment;
- (r) investors should note that there may be an exchange rate risk relating to the Certificates where the Closing Price is converted from a foreign currency into Singapore Dollars when determining the Physical Settlement Stock and the Cash Residual Amount.

Exchange rates between currencies are determined by forces of supply and demand in the foreign exchange markets. These forces are, in turn, affected by factors such as international balances of payments and other economic and financial conditions, government intervention in currency markets and currency trading speculation. Fluctuations in foreign exchange rates, foreign political and economic developments, and the imposition of exchange controls or other foreign governmental laws or restrictions applicable to such investments may affect the foreign currency market price and the exchange rate-adjusted equivalent price of the Certificates. Fluctuations in the exchange rate of any one currency may be offset by fluctuations in the exchange rate of other relevant currencies

- (s) in the event that there is occurrence of an Automatic Early Expiry, the Certificates will expire earlier. Following an Automatic Early Expiry, investors may not be able to reinvest the proceeds from such Automatic Early Expiry at a comparable return for a similar level of risk. Investors should consider such reinvestment risk in light of other available investments when they purchase the Certificates. Please refer to the “Information relating to the European Style Structured Certificates (Autocallable Certificates)” section of this document for the examples and illustrations of the calculation of the Cash Settlement Amount and the Distribution(s) upon occurrence of an Automatic Early Expiry;
- (t) certain events may, pursuant to the terms and conditions of the Certificates, trigger (i) the implementation of methods of adjustment or (ii) the early termination of the Certificates. The Issuer will give the investors reasonable notice of any early termination. If the Issuer terminates the Certificates early, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of the Certificate less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. The performance of this commitment shall depend on (i) general market conditions and (ii) the liquidity conditions of the underlying instrument(s) and, as the case may be, of any other hedging transactions. Investors should note that the amount repaid by the Issuer may be less than the amount initially invested. Investors may refer to the Condition 13 for more information;
- (u) there is no assurance that an active trading market for the Certificates will sustain throughout the life of the Certificates, or if it does sustain, it may be due to market making on the part of the Designated Market Maker. The Issuer acting through its Designated Market Maker may be the only market participant buying and selling the Certificates. Therefore, the secondary market for the Certificates may be limited and you may not be able to realise the value of the Certificates. Do note that the bid-ask spread increases with illiquidity;
- (v) in the ordinary course of their business, including without limitation, in connection with the Issuer or its appointed designated market maker’s market making activities, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may have a position or interest in the Underlying Stock, and may effect transactions for their own account or for the account of their customers and hold long or short positions in the Underlying Stock. In addition, in connection with the offering of any Certificates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into one or more hedging transactions with respect to the Underlying Stock. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer, the Guarantor and any of their respective subsidiaries and affiliates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into transactions in the Underlying Stock where conflicts of interest may arise, and/or which may affect the market price, liquidity or value of the Certificates and which may affect the interests of Certificate Holders, and investors consent to

the Issuer, Guarantor and any of their respective subsidiaries and affiliates entering into such transactions.

The Issuer, the Guarantor and their affiliates act or may act in different capacities in relation to the issue of the Certificates, including without limitation:

- (A) the Issuer is the issuer of the Certificates;
- (B) Societe Generale acts as designated market maker for the Certificates, and as master placement agent for the Certificates;
- (C) Societe Generale may at its sole and absolute discretion enter into contracts with other sub-placing agents for the physical delivery of underlying shares; and
- (D) Societe Generale, Singapore Branch is authorized to distribute and market the Certificates.

For the avoidance of doubt and as an independent stipulation, investors agree to each of the Issuer, the Guarantor and its affiliates providing different services and/or performing different roles in relation to the issuance, offer and/or dealing in the Certificates. Each investor acknowledges and agrees that the provision of such services or the undertaking of such roles may not always be consistent with the interests of the investors.

Each investor agrees that subject to mandatory applicable law which cannot be derogated from, no implied duties or obligations shall be imposed on the Issuer, the Guarantor and their affiliates under the Certificates, and in connection with or as a result of the investor's subscription or purchase of the Certificates.

The Issuer, the Guarantor and their affiliates may (i) receive benefits, fees, spreads, mark-ups and/or profits as a result of their multiple roles as issuer, guarantor, custodian, calculation agent, designated market maker, master placing agent, hedging party, entering into forward and other derivative contracts, and/or distributor (whether in the nature of a fiduciary, similar or additional duty or relationship or otherwise) and (ii) pay fees and commissions, and/or provide rebates, benefits or discounted prices to sub-placing agents, and each investor fully consents to (i) each of the Issuer, the Guarantor and their affiliates acting in such capacities, taking on such roles, and entering into such transactions, (ii) each of the Issuer, the Guarantor and their affiliates not being liable to notify nor to account for, and each of them, retaining such benefits, fees, spreads, mark-ups and/or profits for their own account, (iii) each of the Issuer, the Guarantor and their affiliates not being liable to notify nor to account for, and each of them, paying fees and commissions and/or providing rebates, benefits and discounted prices to sub-placing agents and (iv) each of the sub-placing agents retaining such fees, commissions, rebates, benefits and/or discounted prices. Each investor acknowledges and agrees that none of the Issuer, the Guarantor and their affiliates acts as fiduciary to any investor nor assumes any such obligations, and that none of the Issuer, the Guarantor and their affiliates is obliged to notify, and is liable to account to, any investor or any other person for (and each investor or such other person shall not be entitled to ask for) disclosure of the fact or the amount of, any benefits, fees, spreads, mark-ups and/or profits resulting from any of the aforementioned roles, other than is already disclosed in this document. Each investor agrees that it will have no claim against the Issuer, the Guarantor and their affiliates for, and it consents to, (i) the receipt, acceptance and retention by the Issuer, the Guarantor and their affiliates of, such benefits, fees, spreads, mark-ups and/or profits arising from any such multiple roles, and (ii) the payment by the Issuer, the Guarantor and their affiliates to, and the receipt, acceptance and retention by, the sub-placing agent of fees, commissions, rebates, benefits and/or discounted prices.

Subject to mandatory applicable laws which cannot be derogated from, regulations and listing rules, the Guarantor and its affiliates may enter into off-exchange transactions in the capacity of Certificate Holder at their discretion to sell the Certificates at a price which may be different from the price of the Certificates quoted on the SGX-ST by the Guarantor in its capacity of the designated market maker;

- (w) various potential and actual conflicts of interest may arise from the overall activities of the Issuer, the Guarantor and/or any of their subsidiaries and affiliates.

The Issuer, the Guarantor and any of their subsidiaries and affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and investment and other activities for their own account or the account of others. In addition, the Issuer, the Guarantor and any of their subsidiaries and affiliates, in connection with their other business activities, may possess or acquire material information about the Underlying Stock. Such activities and information may involve or otherwise affect issuers of the Underlying Stock in a manner that may cause consequences adverse to the Certificate Holders or otherwise create conflicts of interests in connection with the issue of Certificates by the Issuer. Such actions and conflicts may include, without limitation, the exercise of voting power, the purchase and sale of securities, financial advisory relationships and exercise of creditor rights. The Issuer, the Guarantor and any of their subsidiaries and affiliates have no obligation to disclose such information about the Underlying Stock or such activities. The Issuer, the Guarantor and any of their subsidiaries and affiliates and their officers and directors may engage in any such activities without regard to the issue of Certificates by the Issuer or the effect that such activities may directly or indirectly have on any Certificate;

- (x) legal considerations which may restrict the possibility of certain investments:

Some investors' investment activities are subject to specific laws and regulations or laws and regulations currently being considered by various authorities. All potential investors must consult their own legal advisers to check whether and to what extent (i) they can legally purchase the Certificates (ii) the Certificates can be used as collateral security for various forms of borrowing (iii) if other restrictions apply to the purchase of Certificates or their use as collateral security. Financial institutions must consult their legal advisers or regulators to determine the appropriate treatment of the Certificates under any applicable risk-based capital or similar rules;

- (y) the credit rating of the Guarantor is an assessment of its ability to pay obligations, including those on the Certificates. Consequently, actual or anticipated declines in the credit rating of the Guarantor may affect the market value of the Certificates;

- (z) the Certificates are linked to the Underlying Stock and subject to the risk that the price of the Underlying Stock may decline. The following is a list of some of the significant risks associated with the Underlying Stock:

- Historical performance of the Underlying Stock does not give an indication of future performance of the Underlying Stock. It is impossible to predict whether the price of the Underlying Stock will fall or rise over the term of the Certificates; and
- The price of the Underlying Stock may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which the Underlying Stock may be traded;

- (aa) two or more risk factors may simultaneously have an effect on the value of a Certificate such that the effect of any individual risk factor may not be predicted. No assurance can be given as to the effect any combination of risk factors may have on the value of a Certificate;
- (bb) as the Certificates are represented by a global warrant certificate which will be deposited with The Central Depository (Pte) Limited (“**CDP**”):
 - (i) investors should note that no definitive certificate will be issued in relation to the Certificates;
 - (ii) there will be no register of Certificate Holders and each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates by way of interest (to the extent of such number) in the global warrant certificate in respect of those Certificates represented thereby shall be treated as the holder of such number of Certificates;
 - (iii) investors will need to rely on any statements received from their brokers/custodians as evidence of their interest in the Certificates; and
 - (iv) notices to such Certificate Holders will be published on the web-site of the SGX-ST. Investors will need to check the web-site of the SGX-ST regularly and/or rely on their brokers/custodians to obtain such notices;
- (cc) the US Foreign Account Tax Compliance Act (“**FATCA**”) withholding risk:

FATCA generally imposes a 30 per cent. withholding tax on certain U.S.-source payments to certain non-US persons that do provide certification of their compliance with IRS rules to disclose the identity of their US owners and account holders (if any) or establish a basis for exemption for such disclosure. The Issuer or an investor’s broker or custodian may be subject to FATCA and, as a result, may be required to obtain certification from investors that they have complied with FATCA disclosure requirements or have established a basis for exemption from FATCA. If an investor does not provide the Issuer or the relevant broker or custodian with such certification, the Issuer and the Guarantor or other withholding agent could be required to withhold U.S. tax on U.S.-source income (if any) paid pursuant to the Certificates. In certain cases, the Issuer or the relevant broker or custodian could be required to close an account of an investor who does not comply with the FATCA certification procedures.

FATCA IS PARTICULARLY COMPLEX. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO DETERMINE HOW THIS LEGISLATION MIGHT AFFECT EACH INVESTOR IN ITS PARTICULAR CIRCUMSTANCES;

- (dd) U.S. withholding tax

The Issuer has determined that this Certificate is not linked to U.S. Underlying Equities within the meaning of applicable regulations under Section 871(m) of the United States Internal Revenue Code, as discussed in the accompanying Base Listing Document under “TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Section 871(m) of the U.S. Internal Revenue Code of 1986.” Accordingly, the Issuer expects that Section 871(m) will not apply to the Certificates. Such determination is not binding on the IRS, and the IRS may disagree with this determination. Section 871(m) is complex and its application may depend on a Certificate Holder’s particular circumstances. Certificate Holders should consult with their own tax advisers regarding the potential application of Section 871(m) to the Certificates; and

(ee) risk factors relating to the BRRD

French and Luxembourg law and European legislation regarding the resolution of financial institutions may require the write-down or conversion to equity of the Certificates or other resolution measures if the Issuer or the Guarantor is deemed to meet the conditions for resolution.

Directive 2014/59/EU of the European Parliament and of the Council of the European Union dated 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the “**BRRD**”) entered into force on 2 July 2014. The BRRD, as amended, has been implemented into Luxembourg law by, among others, the Luxembourg act dated 18 December 2015 on the failure of credit institutions and certain investment firms, as amended (the “**BRR Act 2015**”). Under the BRR Act 2015, the competent authority is the Luxembourg financial sector supervisory authority (*Commission de surveillance du secteur financier*, the CSSF) and the resolution authority is the CSSF acting as resolution council (*conseil de résolution*).

In April 2023, the EU Commission released a proposal to amend, in particular, the BRRD according to which senior preferred debt instruments would no longer rank pari passu with any non covered non preferred deposits of the Issuer; instead, senior preferred debt instruments would rank junior in right of payment to the claims of all depositors.

This proposal will be discussed and amended by the European Parliament and the European Council before being final and applicable. If the Commission proposal was adopted as is, there may be an increased risk of an investor in senior preferred debt instruments losing all or some of their investment in the context of the exercise of the Bail-in Power. The proposal may also lead to a rating downgrade for senior preferred debt instruments.

Moreover, Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism (“**SRM**”) and a Single Resolution Framework (the “**SRM Regulation**”) has established a centralised power of resolution entrusted to a Single Resolution Board (the “**SRB**”) in cooperation with the national resolution authorities.

Since November 2014, the European Central Bank (“**ECB**”) has taken over the prudential supervision of significant credit institutions in the member states of the Eurozone under the Single Supervisory Mechanism (“**SSM**”). In addition, the SRM has been put in place to ensure that the resolution of credit institutions and certain investment firms across the Eurozone is harmonised. As mentioned above, the SRM is managed by the SRB. Under Article 5(1) of the SRM Regulation, the SRM has been granted those responsibilities and powers granted to the EU Member States’ resolution authorities under the BRRD for those credit institutions and certain investment firms subject to direct supervision by the ECB. The ability of the SRB to exercise these powers came into force at the beginning of 2016.

Societe Generale has been, and continues to be, designated as a significant supervised entity for the purposes of Article 49(1) of Regulation (EU) No 468/2014 of the ECB of 16 April 2014 establishing the framework for cooperation within the SSM between the ECB and national competent authorities and with national designated authorities (the “**SSM Regulation**”) and is consequently subject to the direct supervision of the ECB in the context of the SSM. This means that Societe Generale and SG Issuer (being covered by the consolidated prudential supervision of Societe Generale) are also subject to the SRM which came into force in 2015. The SRM Regulation mirrors the BRRD and, to a large part, refers to the BRRD so that the SRB is able

to apply the same powers that would otherwise be available to the relevant national resolution authority.

The stated aim of the BRRD and the SRM Regulation is to provide for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and certain investment firms. The regime provided for by the BRRD is, among other things, stated to be needed to provide the resolution authority designated by each EU Member State (the “**Resolution Authority**”) with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution’s critical financial and economic functions while minimising the impact of an institution’s failure on the economy and financial system (including taxpayers’ exposure to losses).

In accordance with the provisions of the SRM Regulation, when applicable, the SRB, has replaced the national resolution authorities designated under the BRRD with respect to all aspects relating to the decision-making process and the national resolution authorities designated under the BRRD continue to carry out activities relating to the implementation of resolution schemes adopted by the SRB. The provisions relating to the cooperation between the SRB and the national resolution authorities for the preparation of the institutions’ resolution plans have applied since 1 January 2015 and the SRM has been fully operational since 1 January 2016.

The SRB is the Resolution Authority for the Issuer and the Guarantor.

The powers provided to the Resolution Authority in the BRRD and the SRM Regulation include write-down/conversion powers to ensure that capital instruments (including subordinated debt instruments) and eligible liabilities (including senior debt instruments if junior instruments prove insufficient to absorb all losses) absorb losses of the issuing institution that is subject to resolution in accordance with a set order of priority (the “**Bail-in Power**”). The conditions for resolution under the SRM Regulation are deemed to be met when: (i) the Resolution Authority determines that the institution is failing or is likely to fail, (ii) there is no reasonable prospect that any measure other than a resolution measure would prevent the failure within a reasonable timeframe, and (iii) a resolution measure is necessary for the achievement of the resolution objectives (in particular, ensuring the continuity of critical functions, avoiding a significant adverse effect on the financial system, protecting public funds by minimizing reliance on extraordinary public financial support, and protecting client funds and assets) and winding up of the institution under normal insolvency proceedings would not meet those resolution objectives to the same extent.

The Resolution Authority could also, independently of a resolution measure or in combination with a resolution measure, fully or partially write-down or convert capital instruments (including subordinated debt instruments) into equity when it determines that the institution or its group will no longer be viable unless such write-down or conversion power is exercised or when the institution requires extraordinary public financial support (except when extraordinary public financial support is provided in Article 10 of the SRM Regulation). The terms and conditions of the Certificates contain provisions giving effect to the Bail-in Power in the context of resolution and write-down or conversion of capital instruments at the point of non-viability.

The Bail-in Power could result in the full (i.e., to zero) or partial write-down or conversion of the Certificates into ordinary shares or other instruments of ownership, or the variation of the terms of the Certificates (for example, the maturity and/or interest payable may be altered and/or a temporary suspension of payments may be ordered). Extraordinary public financial support should only be used as a last resort after having assessed and applied, to the maximum extent practicable, the resolution measures. No support will be available until a minimum amount of

contribution to loss absorption and recapitalization of 8% of total liabilities including own funds has been made by shareholders, holders of capital instruments and other eligible liabilities through write-down, conversion or otherwise.

In addition to the Bail-in Power, the BRRD provides the Resolution Authority with broader powers to implement other resolution measures with respect to institutions that meet the conditions for resolution, which may include (without limitation) the sale of the institution's business, the creation of a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), removing management, appointing an interim administrator, and discontinuing the listing and admission to trading of financial instruments.

Before taking a resolution measure, including implementing the Bail-in Power, or exercising the power to write down or convert relevant capital instruments, the Resolution Authority must ensure that a fair, prudent and realistic valuation of the assets and liabilities of the institution is carried out by a person independent from any public authority.

The BRRD, the BRR Act 2015 and the SRM Regulation however also state that, under exceptional circumstances, if the bail-in instrument is applied, the SRB, in cooperation with the CSSF, may completely or partially exclude certain liabilities from the application of the impairment or conversion powers under certain conditions.

Since 1 January 2016, EU credit institutions (such as Societe Generale) and certain investment firms have to meet, at all times, a minimum requirement for own funds and eligible liabilities ("**MREL**") pursuant to Article 12 of the SRM Regulation. The MREL, which is expressed as a percentage of the total liabilities and own funds of the institution, aims at preventing institutions from structuring their liabilities in a manner that impedes the effectiveness of the Bail-in Power in order to facilitate resolution.

The regime has evolved as a result of the changes adopted by the EU legislators. On 7 June 2019, as part of the contemplated amendments to the so-called "EU Banking Package", the following legislative texts were published in the Official Journal of the EU 14 May 2019:

- Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms ("**BRRD II**"); and
- Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending the SRM Regulation as regards the loss-absorbing and recapitalisation capacity ("**TLAC**") of credit institutions and investment firms (the "**SRM II Regulation**" and, together with the BRRD II, the "**EU Banking Package Reforms**").

The EU Banking Package Reforms introduced, among other things, the TLAC standard as implemented by the Financial Stability Board's TLAC Term Sheet ("**FSB TLAC Term Sheet**"), by adapting, among other things, the existing regime relating to the specific MREL with aim of reducing risks in the banking sector and further reinforcing institutions' ability to withstand potential shocks will strengthen the banking union and reduce risks in the financial system.

The TLAC has been implemented in accordance with the FSB TLAC Term Sheet, which impose a level of "Minimum TLAC" that will be determined individually for each global systemically important bank ("**G-SIB**"), such as Societe Generale, in an amount at least equal to (i) 16%, plus applicable buffers, of risk weight assets since January 1, 2022 and 18%, plus applicable buffers, thereafter and (ii) 6% of the Basel III leverage ratio denominator since January 1, 2022

and 6.75% thereafter (each of which could be extended by additional firm-specific requirements).

Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the “**CRR**”), as amended by Regulation (EU) 2019/876 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements (the “**CRR II**”), EU G-SIBs, such as Societe Generale, have to comply with TLAC requirements, on top of the MREL requirements, since the entry into force of the CRR II. As such, G-SIBs, such as Societe Generale have to comply with both the TLAC and MREL requirements.

Consequently, the criteria for MREL-eligible liabilities have been closely aligned with the criteria for TLAC-eligible liabilities under CRR II, but subject to the complementary adjustments and requirements introduced in the BRRD II. In particular, certain debt instruments with an embedded derivative component, such as certain structured notes, will be eligible, subject to certain conditions, to meet MREL requirements to the extent that they have a fixed or increasing principal amount repayable at maturity that is known in advance with only an additional return permitted to be linked to that derivative component and dependent on the performance of a reference asset.

The level of capital and eligible liabilities required under MREL is set by the SRB for Societe Generale on an individual and/or consolidated basis based on certain criteria including systemic importance and may also be set for SG Issuer. Eligible liabilities may be senior or subordinated, provided, among other requirements, that they have a remaining term of at least one year and, they recognise contractually the Resolution Authority's power to write down or convert the liabilities governed by non-EU law.

The scope of liabilities used to meet MREL includes, in principle, all liabilities resulting from claims arising from ordinary unsecured creditors (non-subordinated liabilities) unless they do not meet specific eligibility criteria set out in BRRD, as amended by BRRD II. To enhance the resolvability of institutions and entities through an effective use of the bail-in tool, the SRB should be able to require that MREL be met with own funds and other subordinated liabilities, in particular where there are clear indications that bailed-in creditors are likely to bear losses in resolution that would exceed the losses that they would incur under normal insolvency proceedings. Moreover the SRB should assess the need to require institutions and entities to meet the MREL with own funds and other subordinated liabilities where the amount of liabilities excluded from the application of the bail-in tool reaches a certain threshold within a class of liabilities that includes MREL-eligible liabilities. Any subordination of debt instruments requested by the SRB for the MREL shall be without prejudice to the possibility to partly meet the TLAC requirements with non-subordinated debt instruments in accordance with the CRR, as amended by the CRR II, as permitted by the TLAC standard. Specific requirements apply to resolution groups with assets above EUR 100 billion (top-tier banks, including Societe Generale).

TERMS AND CONDITIONS OF THE CERTIFICATES

The following are the terms and conditions of the Certificates and should be read in conjunction with, and are qualified by reference to, the other information set out in this document and the Base Listing Document.

The Conditions are set out in the section headed “Terms and Conditions of the European Style Structured Certificates” in the Base Listing Document. For the purposes of the Conditions, the following terms shall have the following meanings:

Certificates:	2,000,000 European Style Structured Certificates (Autocallable Certificates) relating to the ordinary H shares of China Merchants Bank Co., Ltd. traded in HKD (the “ Underlying Stock ”)
ISIN:	LU2517572249
Company:	China Merchants Bank Co., Ltd. (RIC: 3968.HK)
Underlying Price ³ and Source:	The Initial Price (Bloomberg)
Issue Price:	SGD 1.00
Initial Price:	HKD 32.2000, being the closing price of the Underlying Stock on the Strike Date
Strike Price:	HKD 32.2000, being 100% of the Initial Price
Autocall Barrier:	HKD 33.8100, being 105% of the Initial Price
Knock-in Barrier:	HKD 24.7940, being 77.00% of the Initial Price
Closing Price:	The closing price of the Underlying Stock on the Valuation Date
Notional Amount per Certificate:	SGD 1.00
Distribution Barrier:	HKD 16.1000, being 50% of the Initial Price
Cap:	100%
Launch Date:	8 July 2024
Strike Date:	29 July 2024
Issue/Initial Settlement/Closing Date:	31 July 2024

³ These figures are calculated as at, and based on information available to the Issuer on or about the Strike Date. The Issuer is not obliged, and undertakes no responsibility to any person, to update or inform any person of any changes to the figures after the Strike Date.

Distribution Amount:	SGD 0.025 which is the Notional Amount per Certificate x 2.50% per Distribution. (The aggregate maximum Distribution being 10% per annum.)
Expected Listing Date:	1 August 2024
Last Trading Date:	The date falling on the earlier of (i) 5 Business Days immediately preceding the Expiry Date, currently being 28 July 2025, and (ii) the Early Valuation Date (if any).
Expiry Date:	4 August 2025 (if the Expiry Date is not a Business Day, the Expiry Date shall fall on the immediately following Business Day, and if the Valuation Date falls after the Business Day immediately preceding the Expiry Date, the Expiry Date shall fall on the Business Day immediately following the Valuation Date).
Early Expiry Date:	5 Business Days following the Early Valuation Date if the Early Valuation Date does not fall on the Valuation Date, or the Expiry Date if the Early Valuation Date falls on the Valuation Date.
Board Lot:	100 Certificates
Valuation Date:	1 August 2025 or if such day is not an Exchange Business Day, the immediately following Exchange Business Day, and subject to adjustment of the Valuation Date upon the occurrence of Market Disruption Events as set out in the Conditions of the Certificates.
Early Valuation Date:	<p>“Early Valuation Date” refers to the date when the Automatic Early Expiry occurs.</p> <p>An “Automatic Early Expiry” is deemed to have occurred if the closing price of the Underlying Stock on any Observation Date is higher than or equal to the Autocall Barrier.</p>
Cash Settlement Date and Physical Settlement Date:	<p>Cash Settlement Date: No later than 3 Business Days following the Expiry Date, currently being 7 August 2025 or no later than 2 Business Days following the Early Expiry Date, as the case may be.</p> <p>Physical Settlement Date: No later than the Exchange Business Day immediately following the day on which the Issuer receives the Physical Settlement Amount from the Physical Delivery Agent, currently expected to be 4 Business Days following the Expiry Date being 8 August 2025.</p>
Observation Date:	<p>1 November 2024</p> <p>3 February 2025</p> <p>2 May 2025</p> <p>1 August 2025</p>

(if any such day is not an Exchange Business Day, the immediately following Exchange Business Day, and subject to adjustment of the Observation Date upon the occurrence of Market Disruption Events as set out in the Conditions of the Certificates).

Knock-in Observation Date:

The Valuation Date, being 1 August 2025 (if any such day is not an Exchange Business Day, the immediately following Exchange Business Day, and subject to adjustment of the Knock-in Observation Date upon the occurrence of Market Disruption Events as set out in the Conditions of the Certificates).

Exercise:

The Certificates may only be exercised on the Expiry Date or the Early Expiry Date, as the case may be, or if the Expiry Date or the Early Expiry Date, as the case may be, is not a Business Day, the immediately following Business Day, in a Board Lot or integral multiples thereof. Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive.

If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or the Early Expiry Date, as the case may be, or if the Expiry Date or the Early Expiry Date, as the case may be, is not a Business Day, the immediately following Business Day. In such a case:

- (i) if and to the extent the Cash Settlement applies, the aggregate Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(d)(i)(A) of the Conditions; and
- (ii) if and to the extent the Physical Settlement applies, the Physical Settlement Stock together with the Cash Residual Amount (if any) shall be delivered and paid in the manner set out in Condition 4(d)(i)(B) of the Conditions.

In the event the Cash Settlement Amount (less any Exercise Expenses) is zero or negative, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or the Early Expiry Date, as the case may be, or if the Expiry Date or the Early Expiry Date, as the case may be, is not a Business Day, the immediately following Business Day, and Certificate Holders shall not be entitled to receive any payment (other than the Distribution(s) (if applicable and if any)) from the Issuer in respect of the Certificates.

Settlement Method:

Cash Settlement: unless the Issuer physically settles the Certificates in accordance with the Conditions, all the Certificates will be cash settled in accordance with the Conditions.

Physical Settlement: if a Physical Settlement Event occurs, the Issuer shall be entitled to physically settle the Certificates deposited in the securities accounts designated by the Physical Delivery Agents, in respect of which the Physical Delivery Agents have delivered to the Issuer the Physical Settlement Authorisation by 6:00 p.m. (Singapore time) on 29 July 2025.

Election Notice:

An “**Election Notice**” is a duly completed and irrevocable election notice (copies of which can be obtained from the Physical Delivery Agents) pursuant to which the Onboarded Investor directs a Physical Delivery Agent to deliver the Physical Settlement Authorisation in respect of the relevant Certificates to the Issuer. The Election Notice shall specify the number of Certificates in respect of which the Onboarded Investor directs the Physical Delivery Agent to deliver the Physical Settlement Authorisation, which shall be an integral multiple of a Physical Delivery Lot.

The Election Notice shall be delivered to the Physical Delivery Agents on or before the Election Notice Date.

The “**Physical Settlement Authorisation**” refers to the authorisation to physically settle the relevant Certificates upon occurrence of a Physical Settlement Event.

A “**Physical Settlement Event**” is deemed to have occurred if (i) there is occurrence of a Knock-in Event, (ii) there is non-occurrence of an Automatic Early Expiry and (iii) the Closing Price is lower than the Strike Price.

Physical Delivery Agents:

Any Physical Delivery Agent listed out on the Issuer’s website at <https://certificates.societegenerale.com>, who shall be the Certificate Holders appearing in the records maintained by CDP for the Certificates specified in the valid Election Notices to be delivered to them.

Election Notice Date:

The latest date for the delivery of the Election Notice to a Physical Delivery Agent, currently being 25 July 2025.

Onboarding:

Only the Onboarded Investors who complete the Onboarding by no later than the Onboarding Completion Date are entitled to issue the Election Notice in accordance with the Conditions. Investors other than the Onboarded Investors (the “**Other Investors**”), being the Certificate Holders who hold the Certificates in their direct securities accounts with CDP and investors who hold the Certificates through nominees other than the Physical Delivery Agents, may through completing the Onboarding by no later than the Onboarding Completion Date to become the Onboarded Investors to become entitled to issue the Election Notice.

“Onboarding” refers to (a) submission of an application to the Physical Delivery Agent to open an account with it by no later than the Onboarding Application Date and (b) transferring, or procuring the transfer of, the relevant Certificates to the Physical Delivery Agent by no later than the Onboarding Completion Date such that the relevant Certificates will be held through the Physical Delivery Agent. All the matters relating to Onboarding are subject to the sole and absolute discretion of the Physical Delivery Agent.

An **“Onboarded Investor”** refers to an investor who maintains an account with the Physical Delivery Agent and hold the Certificates through the Physical Delivery Agent.

“Onboarding Application Date” refers to latest date for the Other Investors to submit an application to the Physical Delivery Agent to open an account with it, currently being 1 July 2025.

“Onboarding Completion Date” refers to latest date for the Other Investors to complete the Onboarding to become the Onboarded Investors to become entitled to issue an Election Notice, currently being 18 July 2025.

Physical Delivery Lot: 10,000 Certificates

Exercise Amount: A number of Certificates in respect of which a valid Election Notice has been submitted by an Onboarded Investor. The Exercise Amount shall be an integral multiple of a Physical Delivery Lot.

Cash Settlement Amount: (a) In the event that there is non-occurrence of an Automatic Early Expiry, in respect of each Certificate, an amount denominated in the Settlement Currency equal to:

- i. if there is non-occurrence of a Knock-in Event, Notional Amount per Certificate x Cap; or
- ii. if there is occurrence of a Knock-in Event, Notional Amount per Certificate x $\text{Min}(\text{Cap}; \text{Closing Price/Strike Price})$.

A **“Knock-in Event”** is deemed to have occurred if the closing price of the Underlying Stock on the Knock-in Observation Date is lower than the Knock-in Barrier.

(b) In the event that there is occurrence of an Automatic Early Expiry, in respect of each Certificate, an amount denominated in the Settlement Currency equal to:

Notional Amount per Certificate x Cap

Please refer to the “Information relating to the European Style Structured Certificates (Autocallable Certificates)” section of this

document for examples and illustrations of the calculation of the Cash Settlement Amount.

Physical Settlement Stock:

In respect of a Physical Delivery Lot of the Certificates to which the Physical Settlement is applicable, the number of the Underlying Stock to be delivered by the Issuer by the Physical Settlement Date to a Physical Delivery Agent⁴ and equal to (a) the Cash Settlement Amount (less any Exercise Expenses) multiplied by the Physical Delivery Lot; (b) divided by the Closing Price multiplied by the Exchange Rate, rounded down to the nearest integer number of the Underlying Stock.

“Exchange Rate” refers to the rate for the conversion of the Underlying Stock Currency to SGD based on Bloomberg page BFIX rate as at 4:00pm (Hong Kong Time) on the Valuation Date. If Bloomberg service ceases to display such information or if such information is not available on such page at such time, the Exchange Rate shall be the rate as determined by the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate at or around such a time.

Cash Residual Amount:

In respect of a Physical Delivery Lot of the Certificates to which the Physical Settlement is applicable, an amount in the Settlement Currency to be paid by the Issuer by the Cash Settlement Date to the Physical Delivery Agent⁴ equal to the value of (a) the Cash Settlement Amount (less any Exercise Expenses) multiplied by the Physical Delivery Lot; less (b) the Physical Settlement Stock multiplied by the Closing Price multiplied by the Exchange Rate (the **“Physical Settlement Amount”**).

Distribution:

In respect of each Certificate, shall be the Distribution Amount per Observation Date payable in the Settlement Currency to holders of the Certificates appearing in the records maintained by CDP as at 5:00 p.m. (Singapore time) on the fifth Business Day following such Observation Date (if such Observation Date does not fall on the Valuation Date) or on the second Business Day following the Valuation Date (if such Observation Date falls on the Valuation Date) (subject to change by the Issuer on giving notice to investors via SGXNet) on the Distribution Payment Date, if on such Observation Date, the closing price of the Underlying Stock is higher than or equal to the Distribution Barrier.

“Distribution Payment Date” of a Distribution refers to (i) a day which is not later than 7 Business Days following the corresponding Observation Date of such Distribution (if such Observation Date does not fall on the Valuation Date) or (ii) the Cash Settlement Date (if such Observation Date falls on the Valuation Date). In the event that the

⁴ When the Onboarded Investors will receive the Physical Settlement Stock and the Cash Residual Amount from the Physical Delivery Agent would be subject to the agreements or arrangements between the Physical Delivery Agent and the Onboarded Investors.

announcement announcing such Distribution is not published on SGXNet by 8 a.m. on the Business Day immediately following the corresponding Observation Date of such Distribution (if such Observation Date does not fall on the Valuation Date), the Distribution Payment Date of such Distribution shall be a day which is not later than 7 Business Days following the publication of such announcement on SGXNet.

Please refer to the “Information relating to the European Style Structured Certificates (Autocallable Certificates)” section of this document for examples and illustrations of the calculation of the Distribution.

Underlying Stock Currency:	Hong Kong Dollar (“ HKD ”)
Settlement Currency:	Singapore Dollar (“ SGD ”)
Exercise Expenses:	Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates (including the processing fee charged by The Central Depository (Pte) Limited (“ CDP ”)).
Relevant Stock Exchange for the Certificates:	The Singapore Exchange Securities Trading Limited (the “ SGX-ST ”)
Relevant Stock Exchange for the Underlying Stock:	The Stock Exchange of Hong Kong Limited (“ HKEX ”)
Business Day and Exchange Business Day:	<p>A “Business Day” is a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.</p> <p>An “Exchange Business Day” is a day on which HKEX is open for dealings in Hong Kong during its normal trading hours and banks are open for business in Hong Kong.</p>
Warrant Agent:	CDP
Sub-Placing Agent:	United Overseas Bank Limited, UOB Kay Hian Private Limited and Maybank Securities Pte. Ltd.
Clearing System:	CDP
Fees and Charges:	Normal transaction and brokerage fees shall apply to the trading of the Certificates on the SGX-ST. Investors should note that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred. Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, investors should be aware that tax regulations and their

application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

A distribution fee of up to 2% of the investors' investment amount in the Certificates may be paid by the Issuer or one of its affiliates to the Sub-Placing Agent.

As at the Issue Date, the maximum amount of commercial margin that the Issuer can apply is 2% of the Notional Amount of Certificate.

Investors may also refer to the Issuer's web-site at <https://certificates.societegenerale.com/> to observe the daily theoretical price of the Certificates from the Business Day after the Strike Date of the Certificates.

Investors will be required to pay the Exercise Expenses.

In the case of Physical Settlement, investors will be required to pay all charges incurred in connection with the purchase and transfer of the Underlying Stock, and all the expenses payable by the seller and transferor of the Underlying Stock, including without limitation, any applicable depository charges, transaction or exercise charges imposed by the relevant clearance system, stamp duty, clearing fees, agent's expenses, scrip fees, levies, registration charges and other expenses payable on or in respect of or in connection with such purchase and transfer of the Underlying Stock.

Investors should further note that in the determination of the quoted price of secondary market transactions for any Certificates, such prices may contain or embed transaction costs, fees or charges incurred or charged by the Issuer or its affiliates in relation to any arrangement for hedging, operational and administrative purposes, and any profit margins.

The Conditions set out in the section headed “Terms and Conditions of the European Style Structured Certificates” in the Base Listing Document are set out below. This section is qualified in its entirety by reference to the detailed information appearing elsewhere in this document which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions set out below, replace or modify the relevant Conditions for the purpose of the Certificates.

TERMS AND CONDITIONS OF THE EUROPEAN STYLE STRUCTURED CERTIFICATES

1. Form, Status and Guarantee, Transfer and Title

- (a) *Form.* The Certificates (which expression shall, unless the context otherwise requires, include any further certificates issued pursuant to Condition 11) are issued subject to and with the benefit of:-
- (i) a master instrument by way of deed poll (the “**Master Instrument**”) dated 14 June 2024, made by SG Issuer (the “**Issuer**”) and Société Générale (the “**Guarantor**”); and
 - (ii) a warrant agent agreement (the “**Master Warrant Agent Agreement**” or “**Warrant Agent Agreement**”) dated any time before or on the Closing Date, made between the Issuer and the Warrant Agent for the Certificates.

Copies of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement are available for inspection at the specified office of the Warrant Agent.

The Certificate Holders are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement.

- (b) *Status and Guarantee.* The Certificates constitute direct, general and unsecured obligations of the Issuer and rank, and will rank, equally among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (save for statutorily preferred exceptions) and, in particular, the Certificates will not be secured by the Underlying Stock. If the Cash Settlement Amount (as defined in the relevant Supplemental Listing Document) is positive, the Certificate Holders will receive the Cash Settlement Amount or, in lieu of the aggregate Cash Settlement Amount, the Physical Settlement Stock (as defined below) together with the Cash Residual Amount (as defined in the relevant Supplemental Listing Document) (if any), as the case may be, in accordance with these Conditions.

The due and punctual payment of any amounts due by the Issuer in respect of the Certificates issued by the Issuer is unconditionally and irrevocably guaranteed by the Guarantor as provided in the Guarantee (each such amount payable under the Guarantee, a “**Guarantee Obligation**”).

The Guarantee Obligations will constitute direct, unconditional, unsecured and unsubordinated obligations of the Guarantor ranking as senior preferred obligations as provided for in Article L. 613-30-3 I 3° of the French Code *Monétaire et Financier* (the “**Code**”).

Such Guarantee Obligations rank and will rank equally and rateably without any preference or priority among themselves and:

- (i) *pari passu* with all other direct, unconditional, unsecured and unsubordinated obligations of the Guarantor outstanding as of the date of the entry into force of the law no. 2016-1691 (the “**Law**”) on 11 December 2016;
- (ii) *pari passu* with all other present or future direct, unconditional, unsecured and senior preferred obligations (as provided for in Article L. 613-30-3 I 3° of the Code) of the Guarantor issued after the date of the entry into force of the Law on 11 December 2016;
- (iii) junior to all present or future claims of the Guarantor benefiting from the statutorily preferred exceptions; and
- (iv) senior to all present and future senior non-preferred obligations (as provided for in Article L.613-30-3 I 4° of the Code) of the Guarantor.

In the event of the failure of the Issuer to promptly perform its obligations to any Certificate Holder under the terms of the Certificates, such Certificate Holder may, but is not obliged to, give written notice to the Guarantor at Société Générale, Tour Société Générale, 75886 Paris Cedex 18, France marked for the attention of SEGL/JUR/OMF - Market Transactions & Financing.

- (c) *Transfer*. The Certificates are represented by a global warrant certificate (“**Global Warrant**”) which will be deposited with The Central Depository (Pte) Limited (“**CDP**”). Certificates in definitive form will not be issued. Transfers of Certificates may be effected only in Board Lots or integral multiples thereof. All transactions in (including transfers of) Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records maintained by CDP.
- (d) *Title*. Each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates shall be treated by the Issuer, the Guarantor and the Warrant Agent as the holder and absolute owner of such number of Certificates, notwithstanding any notice to the contrary. The expression “**Certificate Holder**” shall be construed accordingly.
- (e) *Bail-In*. By the acquisition of Certificates, each Certificate Holder (which, for the purposes of this Condition, includes any current or future holder of a beneficial interest in the Certificates) acknowledges, accepts, consents and agrees:
 - (i) to be bound by the effect of the exercise of the Bail-In Power (as defined below) by the Relevant Resolution Authority (as defined below) on the Issuer’s liabilities under the Certificates, which may include and result in any of the following, or some combination thereof:
 - (A) the reduction of all, or a portion, of the Amounts Due (as defined below), on a permanent basis;
 - (B) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or the Guarantor or another person (and the issue to the Certificate Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the Conditions of the Certificates, in which case the Certificate Holder agrees to accept in lieu of its rights under the Certificates any such shares, other securities or other obligations of the Issuer or the Guarantor or another person;

- (C) the cancellation of the Certificates; and/or
- (D) the amendment or alteration of the expiration of the Certificates or amendment of the amounts payable on the Certificates, or the date on which the amounts become payable, including by suspending payment for a temporary period; and

that terms of the Certificates are subject to, and may be varied, if necessary, to give effect to the exercise of the Bail-In Power by the Relevant Resolution Authority or the regulator,

(the “**Statutory Bail-In**”);

- (ii) if the Relevant Resolution Authority exercises its Bail-In Power on liabilities of the Guarantor, pursuant to Article L.613-30-3-I-3 of the French Monetary and Financial Code (the “**Code**”):

(A) ranking:

- (1) junior to liabilities of the Guarantor benefitting from statutorily preferred exceptions pursuant to Article L.613-30-3-I 1° and 2 of the Code;
- (2) *pari passu* with liabilities of the Guarantor as defined in Article L.613-30-3-I-3 of the Code; and
- (3) senior to liabilities of the Guarantor as defined in Article L.613-30-3-I-4 of the Code; and

(B) which are not *titres non structurés* as defined under Article R.613-28 of the Code, and

(C) which are not or are no longer eligible to be taken into account for the purposes of the MREL (as defined below) ratio of the Guarantor

and such exercise of the Bail-In Power results in the write-down or cancellation of all, or a portion of, the principal amount of, or the outstanding amount payable in respect of, and/or interest on, such liabilities, and/or the conversion of all, or a portion, of the principal amount of, or the outstanding amount payable in respect of, or interest on, such liabilities into shares or other securities or other obligations of the Guarantor or another person, including by means of variation to their terms and conditions in order to give effect to such exercise of Bail-In Power, then the Issuer’s obligations under the Certificates will be limited to (i) payment of the amount as reduced or cancelled that would be recoverable by the Certificate Holders and/or (ii) the delivery or the payment of value of the shares or other securities or other obligations of the Guarantor or another person that would be paid or delivered to the Certificate Holders as if, in either case, the Certificates had been directly issued by the Guarantor itself and any Amount Due under the Certificates had accordingly been directly subject to the exercise of the Bail-In Power (the “**Contractual Bail-in**”).

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Statutory Bail-In with respect to the Issuer or the Guarantor unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer or the Guarantor under the applicable laws and regulations in effect in France or Luxembourg

and the European Union applicable to the Issuer or the Guarantor or other members of its group.

No repayment or payment of the Amounts Due will become due and payable or be paid under the Certificates issued by SG Issuer after implementation of the Contractual Bail-in.

Upon the exercise of the Statutory Bail-in or upon implementation of the Contractual Bail-in with respect to the Certificates, the Issuer or the Guarantor will provide a written notice to the Certificate Holders in accordance with Condition 9 as soon as practicable regarding such exercise of the Statutory Bail-in or implementation of the Contractual Bail-in. Any delay or failure by the Issuer or the Guarantor to give notice shall not affect the validity and enforceability of the Statutory Bail-in or Contractual Bail-in nor the effects on the Certificates described above.

Neither a cancellation of the Certificates, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or the Guarantor or another person, as a result of the exercise of the Statutory Bail-in or the implementation of the Contractual Bail-in with respect to the Certificates will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Certificate Holder to any remedies (including equitable remedies) which are hereby expressly waived.

The matters set forth in this Condition shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer, the Guarantor and each Certificate Holder. No expenses necessary for the procedures under this Condition, including, but not limited to, those incurred by the Issuer and the Guarantor, shall be borne by any Certificate Holder.

For the purposes of this Condition:

"Amounts Due" means any amounts due by the Issuer under the Certificates.

"Bail-In Power" means any statutory cancellation, write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms, including but not limited to any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of a European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms, or any other applicable laws or regulations, as amended, or otherwise, pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, varied or otherwise modified in any way and/or converted into shares or other securities or obligations of the obligor or any other person.

"MREL" means the Minimum Requirement for own funds and Eligible Liabilities as defined in Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time).

"Relevant Resolution Authority" means any authority with the ability to exercise the Bail-in Power on Societe Generale or SG Issuer as the case may be.

2. Certificate Rights and Exercise Expenses

- (a) *Certificate Rights*. Every Certificate entitles each Certificate Holder to (i) (in the event the Cash Settlement Amount is positive) the Cash Settlement Amount or, in lieu of the aggregate Cash Settlement Amount, the Physical Settlement Stock together with the Cash Residual Amount (if any), as the case may be, upon due exercise and on compliance with Condition 4 and (ii) Distribution(s) (as defined in the relevant Supplemental Listing Document) (if applicable and if any), in the manner set out in **Condition 4**.

“**Physical Settlement Stock**” refers to, in respect of a Physical Delivery Lot (as defined in the relevant Supplemental Listing Document) of the Certificates to which the Physical Settlement (as defined below) is applicable, the number of the Underlying Stock to be delivered by the Issuer by the Physical Settlement Date (as defined in the relevant Supplemental Listing Document) to a Physical Delivery Agent (as specified in the relevant Supplemental Listing Document) and equal to (a) the Cash Settlement Amount (less any Exercise Expenses) multiplied by the Physical Delivery Lot; (b) divided by the Closing Price (as defined in the relevant Supplemental Listing Document) multiplied by the Exchange Rate (as defined in the relevant Supplemental Listing Document), rounded down to the nearest integer number of the Underlying Stock.

If the Issuer determines, in its sole discretion, that on the Valuation Date (as defined in the relevant Supplemental Listing Document), any Observation Date (as defined in the relevant Supplemental Listing Document) (if applicable) or any Knock-in Observation Date (as defined in the relevant Supplemental Listing Document) (if applicable), a Market Disruption Event (as defined below) has occurred, then the Valuation Date, such Observation Date or such Knock-in Observation Date shall be postponed until the first succeeding Exchange Business Day (as defined in the relevant Supplemental Listing Document) on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Exchange Business Days immediately following the original date that, but for the Market Disruption Event, would have been a Valuation Date, an Observation Date or a Knock-in Observation Date. In that case:-

- (i) that fifth Exchange Business Day shall be deemed to be the Valuation Date, the Observation Date or the Knock-in Observation Date notwithstanding the Market Disruption Event; and
- (ii) the Issuer shall determine the closing price on the basis of its good faith estimate of the bid price that would have prevailed on that fifth Exchange Business Day but for the Market Disruption Event.

“**Market Disruption Event**” means the occurrence or existence on the Valuation Date, any Observation Date or any Knock-in Observation Date of (i) any suspension of trading in the Underlying Stock on the Relevant Stock Exchange for the Underlying Stock requested by the Company if that suspension is, in the determination of the Issuer, material, (ii) any suspension of or limitation imposed on trading in the Underlying Stock (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the Relevant Stock Exchange or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) on the Relevant Stock Exchange for the Underlying Stock if that suspension or limitation is, in the determination of the Issuer, material, or (iii) the closing of the Relevant Stock Exchange for the Underlying Stock or a disruption to trading on the Relevant Stock Exchange for the Underlying Stock if that disruption is, in the determination of the Issuer, material as a

result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism.

- (b) *Exercise Expenses.* Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates (the “**Exercise Expenses**”). An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the aggregate Cash Settlement Amount in accordance with **Condition 4**. Notwithstanding the foregoing, the Certificate Holders shall account to the Issuer on demand for any Exercise Expenses to the extent that they were not or could not be deducted from the aggregate Cash Settlement Amount prior to the date of payment of the aggregate Cash Settlement Amount to the Certificate Holders in accordance with **Condition 4**.
- (c) *No Rights.* The purchase of Certificates does not confer on the Certificate Holders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying Stock or otherwise) which the holder of an Underlying Stock may have.

3. **Expiry Date**

Unless automatically exercised in accordance with **Condition 4(c)**, the Certificates shall be deemed to expire at 10:00 a.m. (Singapore time) on the Expiry Date or the Early Expiry Date, as the case may be, or if the Expiry Date or the Early Expiry Date, as the case may be, is not a Business Day (as defined below), the immediately following Business Day.

4. **Exercise of Certificates**

- (a) *Exercise.* Certificates may only be exercised on the Expiry Date or the Early Expiry Date, as the case may be, or if the Expiry Date or the Early Expiry Date, as the case may be, is not a Business Day, the immediately following Business Day, in accordance with **Condition 4(c)**.
- (b) *Cash / Physical Settlement.*
 - (i) *Cash Settlement.* Unless the Issuer physically settles the Certificates in accordance with these Conditions, all the Certificates will be cash settled (the “**Cash Settlement**”) in accordance with **Condition 4(c)(i)**. The Certificates may only be exercised and cash settled in Board Lots or integral multiples thereof.
 - (ii) *Physical Settlement*
 - (l) *Issuer’s discretion.* If a Physical Settlement Event (as defined in the relevant Supplemental Listing Document) occurs, the Issuer shall be entitled (but not obliged) to physically settle the Certificates deposited in the securities accounts designated by the Physical Delivery Agents, in respect of which the Physical Delivery Agents have delivered to the Issuer an authorisation of physical settlement (the “**Physical Settlement Authorisation**”), in accordance with **Condition 4(c)(ii)** (the “**Physical Settlement**”).

Without prejudice to the generality of the foregoing, the Issuer may determine that the Certificates in respect of which a Physical Settlement Authorisation has been provided shall not be physically settled where:

- (A) no Physical Settlement Event has occurred; and/or

- (B) the delivery of the Physical Settlement Stock to the Physical Delivery Agents and/or the Onboarded Investors may infringe any applicable law, regulation or rule or necessitate compliance with conditions or requirements which the Issuer, in its absolute discretion, determines to be onerous or impracticable by reason of costs, delay or otherwise.

For the avoidance of doubt, in the event the Issuer determines that the relevant Certificates shall not be physically settled, such Certificates shall be cash settled in accordance with **Condition 4(c)(i)**.

- (II) **Pre-Condition to issuing the Election Notice.** Only the Onboarded Investors (as defined below) who complete the Onboarding (as defined below) by no later than the Onboarding Completion Date are entitled to issue the Election Notice in accordance with **Condition 4(b)(ii)(III)** below.

To issue an Election Notice, investors other than the Onboarded Investors (the “**Other Investors**”), being the Certificate Holders who hold the Certificates in their direct securities accounts with CDP and investors who hold the Certificates through nominees other than the Physical Delivery Agents, are required to:

- (A) by no later than the Onboarding Application Date, submit an application to the Physical Delivery Agent to open an account with it; and
- (B) transfer, or procure the transfer of, the relevant Certificates to the Physical Delivery Agent such that the relevant Certificates are held through the Physical Delivery Agent by no later than the Onboarding Completion Date,

(the foregoing, the “**Onboarding**”).

For the avoidance of doubt, the Physical Delivery Agent has sole and absolute discretion to determine all matters relating to Onboarding. Onboarding will not complete and the Other Investors will not be entitled to deliver the Election Notice to the Physical Delivery Agent if, among others:

- (1) the Physical Delivery Agent rejects the Other Investor’s application to open an account with it for whatsoever reason;
- (2) by the Onboarding Completion Date, the Physical Delivery Agent does not establish business relations with the Other Investor for any reason;
- (3) the requisite requirements prescribed by the Physical Delivery Agent for the delivery of the Physical Settlement Stock (including, without limitation, the deposit of the relevant Certificates into the securities account designated by the Physical Delivery Agent by the Onboarding Completion Date) have not been fulfilled; or

- (4) the delivery of the Physical Settlement Stock to the Other Investors may infringe any applicable law, regulation or rule or necessitate compliance with conditions or requirements which the Physical Delivery Agent, in its absolute discretion, determines to be onerous or impracticable by reason of costs, delay or otherwise.
- (III) *Election Notice.* Investors who maintain an account with the Physical Delivery Agent and hold the Certificates through the Physical Delivery Agents (the “**Onboarded Investors**”) may, by delivering an irrevocable Election Notice (as defined in the relevant Supplemental Listing Document) to a Physical Delivery Agent on or before the Election Notice Date (as specified in the relevant Supplemental Listing Document) in respect of the Exercise Amount of the Certificates, direct the Physical Delivery Agent to deliver to the Issuer the Physical Settlement Authorisation in respect of such Certificates.

No Election Notice shall be accepted after the Election Notice Date and the Certificates in respect of which no valid Election Notice has been received shall be cash settled in accordance with **Condition 4(c)(i)**.

The Election Notice shall:

- (A) declare and confirm that the Onboarded Investor:
- (I) has complied with all requirements prescribed by the Physical Delivery Agent for the purposes of facilitating the Physical Settlement; and;
 - (II) directs the Physical Delivery Agent to deliver to the Issuer the Physical Settlement Authorisation in respect of the relevant Certificates;
- (B) specify the name and contact details of the Onboarded Investor and the Exercise Amount in respect of which the Physical Delivery Agent is entitled to deliver the Physical Settlement Authorisation;
- (C) acknowledge and agree that unless otherwise approved in writing by the Physical Delivery Agent, the Onboarded Investor shall not be entitled to transfer or otherwise deal with the Certificates in respect of which the Election Notice is given with effect from the date of the Election Notice up to the Expiry Date;
- (D) declare and confirm that the Onboarded Investor’s receipt of the Physical Settlement Stock and the Cash Residual Amount (if any) will not infringe any applicable law, regulation or rule; and
- (E) declare that the information set out in the Election Notice is correct and authorise the Issuer, the Physical Delivery Agent and CDP to act and rely on such information.

Any determination as to whether an Election Notice is duly completed, validly delivered and in proper form shall be made by the Physical Delivery Agent in its sole and absolute discretion and shall be conclusive and binding on the Onboarded Investor. Without limiting the generality of the Physical Delivery Agent's discretion, the Physical Delivery Agent may regard any Election Notice invalid if (i) the person issuing the Election Notice is not an Onboarded Investor, (ii) the number of Certificates credited to the Onboarded Investor's securities sub-account with the Physical Delivery Agent is less than the Exercise Amount, (iii) any information, confirmation or declaration in the Election Notice is found to be untrue or incorrect or (iv) the submission of the Election Notice is not performed in compliance with these Conditions. The Physical Delivery Agent shall be authorised and entitled, in its sole and absolute discretion, to reject any Election Notice which it deems to be incomplete, invalid or not in proper form and any such rejected Election Notice shall be null and void. If such Election Notice is subsequently corrected to the satisfaction of the Physical Delivery Agent, it shall be deemed to be a new Election Notice submitted at the time such correction was delivered to the Physical Delivery Agent. For the avoidance of doubt, the Physical Delivery Agent also reserves the right to treat any Election Notice which is incomplete, invalid or not in proper form as valid.

Upon receipt of a valid Election Notice, the Physical Delivery Agent shall deliver to the Issuer the Physical Settlement Authorisation in respect of such Certificates unless the delivery of the Physical Settlement Stock to the Onboarded Investors may infringe any applicable law, regulation or rule or necessitate compliance with conditions or requirements which the Physical Delivery Agent, in its absolute discretion, determines to be onerous or impracticable by reason of costs, delay or otherwise.

- (c) *Automatic Exercise.* Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive.

If the aggregate Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or the Early Expiry Date, as the case may be, or if the Expiry Date or the Early Expiry Date, as the case may be, is not a Business Day, the immediately following Business Day. In such a case:

- (i) if and to the extent the Cash Settlement applies, the aggregate Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in **Condition 4(d)(i)(A)** below; and
- (ii) if and to the extent the Physical Settlement applies, the Physical Settlement Stock together with the Cash Residual Amount (if any) shall be delivered and paid in the manner set out in **Condition 4(d)(i)(B)** below.

In the event the aggregate Cash Settlement Amount (less any Exercise Expenses) is zero or negative, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or the Early Expiry Date, as the case may be, or if

the Expiry Date or the Early Expiry Date, as the case may be, is not a Business Day, the immediately following Business Day, and Certificate Holders shall not be entitled to receive any payment (other than the Distribution(s) (if applicable and if any)) from the Issuer in respect of the Certificates.

(d) *Settlement.*

(i) In respect of Certificates which are automatically exercised in accordance with **Condition 4(c)**:

- (A) If and to the extent the Cash Settlement applies, the Issuer will pay to the relevant Certificate Holder appearing in the records maintained by CDP a cash amount per Certificate equal to the aggregate Cash Settlement Amount (if any) in the Settlement Currency. The aggregate Cash Settlement Amount (less any Exercise Expenses) shall be despatched as soon as practicable and no later than three Business Days following the Expiry Date or two Business Days following the Early Expiry Date, as the case may be (the “**Cash Settlement Date**”) (subject to extension upon the occurrence of a Cyber-attack Disruption Event (as defined below)), by way of crossed cheque or other payment in immediately available funds drawn in favour of the Certificate Holder only (or, in the case of joint Certificate Holders, the first-named Certificate Holder) appearing in the records maintained by CDP.

If the Issuer determines, in its sole discretion, that on any Business Day during the period of three Business Days following the Expiry Date or two Business Days following the Early Expiry Date a Cyber-attack Disruption Event has occurred, such Business Day shall be postponed to the next Business Day on which the Issuer determines that the Cyber-attack Disruption Event is no longer subsisting and such period shall be extended accordingly, provided that the Issuer and/or the Guarantor shall make their best endeavours to implement remedies as soon as reasonably practicable to eliminate the impact of the Cyber-attack Disruption Event on its/their payment obligations under the Certificates and/or the Guarantee.

“**Cyber-attack Disruption Event**” means the occurrence or existence of any malicious action or attempt initiated to steal, expose, alter, disable or destroy information through unauthorised access to, or maintenance or use of, the Computer Systems of the Issuer, the Guarantor, their respective affiliates (the “**SG Group**”), their IT service providers, by (and without limitation) the use of malware, ransomware, phishing, denial or disruption of service or cryptojacking or any unauthorized entry, removal, reproduction, transmission, deletion, disclosure or modification preventing the Issuer and/or the Guarantor to perform their obligations under the Certificates, and notwithstanding the implementation of processes, required, as the case may be, by the laws and regulations applicable to the Issuer, the Guarantor and their affiliates, or their IT service providers to improve their resilience to these actions and attempts.

“**Computer System**” means all the computer resources including, in particular: hardware, software packages, software, databases and peripherals, equipment, networks, electronic installations for storing computer data, including Data. The Computer System shall be understood

to be that which (i) belongs to the SG Group and/or (ii) is rented, operated or legally held by the SG Group under a contract with the holder of the rights to the said system and/or (iii) is operated on behalf of the SG Group by a third party within the scope of a contractual relationship and/or (iv) is made available to the SG Group under a contract within the framework of a shared system (in particular cloud computing).

"Data" means any digital information, stored or used by the Computer System, including confidential data.

- (B) If and to the extent the Physical Settlement applies, subject as provided below in the case of a Settlement Disruption Event (as defined below), with respect to each Physical Delivery Lot comprised in the Exercise Amount, the Issuer will no later than the Physical Settlement Date and the Cash Settlement Date respectively, deliver and pay, or procure the delivery and payment of, the Physical Settlement Stock and the Cash Residual Amount (if any) to the Physical Delivery Agent.

The delivery and payment of the Physical Settlement Stock and the Cash Residual Amount (if any) by the Issuer to the Physical Delivery Agent in accordance with these Conditions shall represent full and final discharge of the Issuer's obligations under the Certificates, and in no event shall any person who has delivered the Election Notice to the Physical Delivery Agent in respect of the Certificates to which the Physical Settlement applies have any claim and demand against the Issuer.

If a Settlement Disruption Event exists on any Exchange Business Day from and including the Expiry Date to and including the Physical Settlement Date, the Physical Settlement Date shall be postponed by the number of Exchange Business Days for which there has been a Settlement Disruption Event unless a Settlement Disruption Event prevents settlement on each of the seven Exchange Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been a Physical Settlement Date. In that case: (i) if the Underlying Stock can be delivered in any other commercially reasonable manner on the seventh Exchange Business Day immediately following the original Physical Settlement Date then they shall so be delivered; and (ii) if the Underlying Stock cannot be delivered in any other commercially reasonable manner, the Issuer may in its sole and absolute discretion determine that (A) the Physical Settlement Date shall be postponed until settlement can reasonably be effected under this Condition or in any other commercially reasonable manner or (B) the Underlying Stock shall be sold in such manner and at such prices as the Issuer determines to be appropriate in its absolute discretion and the net proceeds of such sale (less all costs and expenses) shall be paid to the relevant Certificate Holders no later than five Business Days following such determination.

"Settlement Disruption Event" means a Cyber-attack Disruption Event or an event beyond the control of the Issuer as a result of which (A) it is unable to deliver the Underlying Stock owing to the suspension of, or a material limitation on, trading in or settlement of the Underlying Stock or a general suspension of, or a material limitation on, trading on the Relevant Stock

Exchange or (B) otherwise a transfer of the Underlying Stock cannot be effected through the relevant settlement system.

If, as a result of a Settlement Disruption Event, (A) it is not possible for the Issuer to deliver or procure the delivery of the Underlying Stock to the relevant Certificate Holders, all as set out above, on or before the original Physical Settlement Date or (B) the Issuer determines that the relevant Certificates shall be cash settled, the Issuer shall procure that the relevant Certificate Holders are notified (in accordance with Condition 9) of the postponement of the Physical Settlement Date or the cash settlement of the relevant Certificates, as the case may be.

- (ii) In respect of Certificates under which there is any Distribution payable, the Issuer will pay to the relevant Certificate Holder the Distribution(s) in the Settlement Currency. The aggregate Distribution shall be despatched on the relevant Distribution Payment Date or on or before the Cash Settlement Date, as the case may be, by way of crossed cheque or other payment in immediately available funds drawn in favour of the Certificate Holder only (or, in the case of joint Certificate Holders, the first-named Certificate Holder) appearing in the records maintained by CDP.
- (iii) Any payment made pursuant to this **Condition 4(i)** and **Condition 4(ii)** shall be delivered at the risk and expense of the Certificate Holder and posted to the Certificate Holder's address appearing in the records maintained by CDP (or, in the case of joint Certificate Holders, to the address of the first-named Certificate Holder appearing in the records maintained by CDP). If the aggregate Cash Settlement Amount is equal to or less than the determined Exercise Expenses and no Distribution is payable, no amount is payable.
- (e) *CDP not liable.* CDP shall not be liable to any Certificate Holder, any Onboarded Investor or any Other Investor with respect to any action taken or omitted to be taken by the Issuer, the Physical Delivery Agents and/or the Warrant Agent in connection with the exercise of the Certificates or otherwise pursuant to or in connection with these Conditions.
- (f) *Business Day.* In these Conditions, a "**Business Day**" shall be a day on which the Singapore Exchange Securities Trading Limited ("**SGX-ST**") is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.

5. Warrant Agent

- (a) *Warrant Agent.* The Issuer reserves the right, subject to the appointment of a successor, at any time to vary or terminate the appointment of the Warrant Agent and to appoint another Warrant Agent provided that it will at all times maintain a Warrant Agent which, so long as the Certificates are listed on the SGX-ST, shall be in Singapore. Notice of any such termination or appointment and of any change in the specified office of the Warrant Agent will be given to the Certificate Holders in accordance with Condition 9.
- (b) *Agent of Issuer.* The Warrant Agent will be acting as agent of the Issuer and will not assume any obligation or duty to or any relationship of agency or trust for the Certificate Holders. All determinations and calculations by the Warrant Agent under these Conditions shall (save in the case of manifest error) be final and binding on the Issuer and the Certificate Holders.

6. Adjustments

- (a) *Potential Adjustment Event.* Following the declaration by a Company of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock and, if so, will (i) make the corresponding adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate to account for that dilutive or concentrative or other effect, and (ii) determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an exchange on which options or futures contracts on the Underlying Stock are traded.
- (b) *Definitions.* “**Potential Adjustment Event**” means any of the following:
- (i) a subdivision, consolidation, reclassification or other restructuring of the Underlying Stock (excluding a Merger Event) or a free distribution or dividend of any such Underlying Stock to existing holders by way of bonus, capitalisation or similar issue;
 - (ii) a distribution or dividend to existing holders of the Underlying Stock of (1) such Underlying Stock, or (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Underlying Stock, or (3) share capital or other securities of another issuer acquired by the Company as a result of a “spin-off” or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Issuer;
 - (iii) an extraordinary dividend;
 - (iv) a call by the Company in respect of the Underlying Stock that is not fully paid;
 - (v) a repurchase by the Company of the Underlying Stock whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
 - (vi) with respect to a Company an event that results in any shareholder rights pursuant to a shareholder rights agreement or other plan or arrangement of the type commonly referred to as a “poison pill” being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Company (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or
 - (vii) any other event that may have, in the opinion of the Issuer, a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock.
- (c) *Merger Event, Tender Offer, Nationalisation and Insolvency.* If a Merger Event, Tender Offer, Nationalisation or Insolvency occurs in relation to the Underlying Stock, the Issuer may take any action described below:
- (i) determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment

by reference to the adjustment in respect of the Merger Event, Tender Offer, Nationalisation or Insolvency made by an options exchange to options on the Underlying Stock traded on that options exchange;

- (ii) cancel the Certificates by giving notice to the Certificate Holders in accordance with Condition 9. If the Certificates are so cancelled, the Issuer will pay an amount to each Certificate Holder in respect of each Certificate held by such Certificate Holder which amount shall be the fair market value of a Certificate taking into account the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer and/or any of its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9; or
- (iii) following any adjustment to the settlement terms of options on the Underlying Stock on such exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select (the “**Option Reference Source**”) make a corresponding adjustment to any one or more of the Conditions, which adjustment will be effective as of the date determined by the Issuer to be the effective date of the corresponding adjustment made by the Option Reference Source. If options on the Underlying Stock are not traded on the Option Reference Source, the Issuer will make such adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate, with reference to the rules and precedents (if any) set by the Option Reference Source, to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, that in the determination of the Issuer would have given rise to an adjustment by the Option Reference Source if such options were so traded.

Once the Issuer determines that its proposed course of action is in connection with a Merger Event, Tender Offer, Nationalisation or Insolvency, it shall give notice to the Certificate Holders in accordance with Condition 9 stating the occurrence of the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Certificate Holders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of a Merger Event, Tender Offer, Nationalisation or Insolvency.

- (d) *Definitions.* “**Insolvency**” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Company (i) all the Underlying Stock of that Company is required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Underlying Stock of that Company become legally prohibited from transferring them. “**Merger Date**” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer. “**Merger Event**” means, in respect of the Underlying Stock, any (i) reclassification or change of such Underlying Stock that results in a transfer of or an irrevocable commitment to transfer all of such Underlying Stock outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in reclassification or change of all of such Underlying Stock outstanding), (iii) takeover offer, exchange offer, solicitation, proposal

or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying Stock of the Company that results in a transfer of or an irrevocable commitment to transfer all such Underlying Stock (other than such Underlying Stock owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Company or its subsidiaries with or into another entity in which the Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Stock outstanding but results in the outstanding Underlying Stock (other than Underlying Stock owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying Stock immediately following such event, in each case if the Merger Date is on or before the Valuation Date. “**Nationalisation**” means that all the Underlying Stock or all or substantially all of the assets of a Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof. “**Tender Offer**” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deems relevant.

- (e) *Other Adjustments.* Except as provided in this Condition 6 and Conditions 10 and 12, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole discretion and without any obligation whatsoever) to make such adjustments and amendments as it believes appropriate in circumstances where an event or events occur which it believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such adjustment or, as the case may be, amendment provided that such adjustment or, as the case may be, amendment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction).
- (f) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Certificate Holders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.

7. Purchases

The Issuer, the Guarantor or any of their respective subsidiaries may at any time purchase Certificates at any price in the open market or by tender or by private treaty. Any Certificates so purchased may be held or resold or surrendered for cancellation.

8. Meetings of Certificate Holders; Modification

- (a) *Meetings of Certificate Holders.* The Master Warrant Agent Agreement or Warrant Agent Agreement contains provisions for convening meetings of the Certificate Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Master Warrant Agent Agreement or Warrant Agent

Agreement) of a modification of the provisions of the Certificates or of the Master Warrant Agent Agreement or Warrant Agent Agreement.

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the date, time and place of the meeting shall be given to the Certificate Holders.

Such a meeting may be convened by the Issuer or by Certificate Holders holding not less than ten per cent. of the Certificates for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 25 per cent. of the Certificates for the time being remaining unexercised, or at any adjourned meeting, two or more persons being or representing Certificate Holders whatever the number of Certificates so held or represented.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three-quarters of the votes cast by such Certificate Holders who, being entitled to do so, vote in person or by proxy.

An Extraordinary Resolution passed at any meeting of the Certificate Holders shall be binding on all the Certificate Holders, whether or not they are present at the meeting. Resolutions can be passed in writing if passed unanimously.

- (b) *Modification.* The Issuer may, without the consent of the Certificate Holders, effect (i) any modification of the provisions of the Certificates or the Master Instrument which is not materially prejudicial to the interests of the Certificate Holders or (ii) any modification of the provisions of the Certificates or the Master Instrument which is of a formal, minor or technical nature, which is made to correct an obvious error or which is necessary in order to comply with mandatory provisions of Singapore law. Any such modification shall be binding on the Certificate Holders and shall be notified to them by the Warrant Agent before the date such modification becomes effective or as soon as practicable thereafter in accordance with Condition 9.

9. Notices

- (a) *Documents.* All cheques and other documents required or permitted by these Conditions to be sent to a Certificate Holder or to which a Certificate Holder is entitled or which the Issuer shall have agreed to deliver to a Certificate Holder may be delivered by hand or sent by post addressed to the Certificate Holder at his address appearing in the records maintained by CDP or, in the case of joint Certificate Holders, addressed to the joint holder first named at his address appearing in the records maintained by CDP, and airmail post shall be used if that address is not in Singapore. All documents delivered or sent in accordance with this paragraph shall be delivered or sent at the risk of the relevant Certificate Holder.
- (b) *Notices.* All notices to Certificate Holders will be validly given if published in English on the web-site of the SGX-ST. Such notices shall be deemed to have been given on the date of the first such publication. If publication on the web-site of the SGX-ST is not practicable, notice will be given in such other manner as the Issuer may determine. The Issuer shall, at least five weeks prior to the expiry of any Certificate, give notice of the date of expiry of such Certificate in the manner prescribed above.

10. Liquidation

In the event of a liquidation or dissolution of the Company or the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, all unexercised Certificates will lapse and shall cease to be valid for any purpose, in the case of voluntary liquidation, on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, on the date of the relevant court order or, in the case of the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law. In the event of the voluntary liquidation of the Company, the Issuer shall make such adjustments or amendments as it reasonably believes are appropriate in the circumstances.

11. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Certificate Holders, to create and issue further certificates so as to form a single series with the Certificates, subject to the approval of the SGX-ST.

12. Delisting

- (a) *Delisting.* If at any time, the Underlying Stock ceases to be listed on the Relevant Stock Exchange, the Issuer shall give effect to these Conditions in such manner and make such adjustments and amendments to the rights attaching to the Certificates as it shall, in its absolute discretion, consider appropriate to ensure, so far as it is reasonably able to do so, that the interests of the Certificate Holders generally are not materially prejudiced as a consequence of such delisting (without considering the individual circumstances of any Certificate Holder or the tax or other consequences that may result in any particular jurisdiction).
- (b) *Issuer's Determination.* The Issuer shall determine, in its absolute discretion, any adjustment or amendment and its determination shall be conclusive and binding on the Certificate Holders save in the case of manifest error. Notice of any adjustments or amendments shall be given to the Certificate Holders in accordance with Condition 9 as soon as practicable after they are determined.

13. Early Termination

- (a) *Early Termination for Illegality and Force Majeure, etc.* If the Issuer determines that a Regulatory Event (as defined below) has occurred and, for reasons beyond its control, the performance of its obligations under the Certificates has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging arrangements with respect to the Certificates for any reason, the Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(d).

Should any one or more of the provisions contained in the Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

For the purposes of this Condition:

"Regulatory Event" means, following the occurrence of a Change in Law (as defined below) with respect to the Issuer and/or Société Générale as Guarantor or in any other

capacity (including without limitation as hedging counterparty of the Issuer, market maker of the Certificates or direct or indirect shareholder or sponsor of the Issuer) or any of its affiliates involved in the issuer of the Certificates (hereafter the “**Relevant Affiliates**” and each of the Issuer, Société Générale and the Relevant Affiliates, a “**Relevant Entity**”) that, after the Certificates have been issued, (i) any Relevant Entity would incur a materially increased (as compared with circumstances existing prior to such event) amount of tax, duty, liability, penalty, expense, fee, cost or regulatory capital charge however defined or collateral requirements for performing its obligations under the Certificates or hedging the Issuer’s obligations under the Certificates, including, without limitation, due to clearing requirements of, or the absence of, clearing of the transactions entered into in connection with the issue of, or hedging the Issuer’s obligation under, the Certificates, (ii) it is or will become for any Relevant Entity impracticable, impossible (in each case, after using commercially reasonable efforts), unlawful, illegal or otherwise prohibited or contrary, in whole or in part, under any law, regulation, rule, judgement, order or directive of any governmental, administrative or judicial authority, or power, applicable to such Relevant Entity (a) to hold, acquire, issue, reissue, substitute, maintain, settle, or as the case may be, guarantee, the Certificates, (b) to acquire, hold, sponsor or dispose of any asset(s) (or any interest thereof) of any other transaction(s) such Relevant Entity may use in connection with the issue of the Certificates or to hedge the Issuer’s obligations under the Certificates, (c) to perform obligations in connection with, the Certificates or any contractual arrangement entered into between the Issuer and Société Générale or any Relevant Affiliate (including without limitation to hedge the Issuer’s obligations under the Certificates) or (d) to hold, acquire, maintain, increase, substitute or redeem all or a substantial part of its direct or indirect shareholding in the Issuer’s capital or the capital of any Relevant Affiliate or to directly or indirectly sponsor the Issuer or any Relevant Affiliate, or (iii) there is or may be a material adverse effect on a Relevant Entity in connection with the issue of the Certificates.

“**Change in law**” means (i) the adoption, enactment, promulgation, execution or ratification of any applicable new law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) after the Certificates have been issued, (ii) the implementation or application of any applicable law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) already in force when the Certificates have been issued but in respect of which the manner of its implementation or application was not known or unclear at the time, or (iii) the change of any applicable law, regulation or rule existing when the Certificates are issued, or the change in the interpretation or application or practice relating thereto, existing when the Certificates are issued of any applicable law, regulation or rule, by any competent court, tribunal, regulatory authority or any other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any additional or alternative court, tribunal, authority or entity, to that existing when the Certificates are issued).

- (b) *Early Termination for Holding Limit Event.* The Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(d) where a Holding Limit Event (as defined below) occurs.

For the purposes of this Condition:

“**Holding Limit Event**” means, assuming the investor is the Issuer and/or any of its affiliates, the Issuer together with its affiliates, in aggregate hold, an interest in the Underlying Stock, constituting or likely to constitute (directly or indirectly) ownership,

control or the power to vote a percentage of any class of voting securities of the Underlying Stock, of the Underlying Stock in excess of a percentage permitted or advisable, as determined by the Issuer, for the purpose of its compliance with the Bank Holding Company Act of 1956 as amended by Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Volcker Rule), including any requests, regulations, rules, guidelines or directives made by the relevant governmental authority under, or issued by the relevant governmental authority in connection with, such statutes.

- (c) *Early Termination for other reasons.* The Issuer reserves the right (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to terminate the Certificates in accordance with Condition 13(d) where an event or events occur which it believes in its sole discretion should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such termination provided that such termination (i) is considered by the Issuer not to be materially prejudicial to the interests of Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such termination in any particular jurisdiction); or (ii) is otherwise considered by the Issuer to be appropriate and such termination is approved by the SGX-ST.
- (d) *Termination.* If the Issuer terminates the Certificates early, then the Issuer will give notice to the Certificate Holders in accordance with Condition 9. The Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of a Certificate notwithstanding such illegality, impracticality or the relevant event less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9.

14. Substitution of the Issuer

The Issuer may be replaced by the Guarantor or any subsidiary of the Guarantor as principal obligor in respect of the Certificates without the consent of the relevant Certificate Holders. If the Issuer determines that it shall be replaced by the Guarantor or any subsidiary of the Guarantor (the "**Substituted Obligor**"), it shall give at least 90 days' notice (exclusive of the day on which the notice is given and of the day on which the substitution is effected) specifying the date of the substitution, in accordance with Condition 9, to the Certificate Holders of such event and, immediately on the expiry of such notice, the Substituted Obligor shall become the principal obligor in place of the Issuer and the Certificate Holders shall thereupon cease to have any rights or claims whatsoever against the Issuer.

Upon any such substitution, all references to the Issuer in the Conditions and all agreements relating to the Certificates will be to the Substituted Obligor and the Certificates will be modified as required, and the Certificate Holders will be notified of the modified terms and conditions of such Certificates in accordance with Condition 9.

For the purposes of this Condition, it is expressly agreed that by subscribing to, acquiring or otherwise purchasing or holding the Certificates, the Certificate Holders are expressly deemed to have consented to the substitution of the Issuer by the Substituted Obligor and to the release of the Issuer from any and all obligations in respect of the Certificates and all agreements relating thereto and are expressly deemed to have accepted such substitution and the consequences thereof.

15. Governing Law

The Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement will be governed by and construed in accordance with Singapore law. The Issuer and

the Guarantor and each Certificate Holder (by its purchase of the Certificates) shall be deemed to have submitted for all purposes in connection with the Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement to the non-exclusive jurisdiction of the courts of Singapore. The Guarantee shall be governed by and construed in accordance with Singapore law.

16. Prescription

Claims against the Issuer for payment of any amount in respect of the Certificates will become void unless made within six years of the Expiry Date or the Early Expiry Date, as the case may be, and, thereafter, any sums payable in respect of such Certificates shall be forfeited and shall revert to the Issuer.

17. Contracts (Rights of Third Parties) Act 2001 of Singapore

Unless otherwise provided in the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement, a person who is not a party to any contracts made pursuant to the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any terms of such contracts. Except as expressly provided herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts.

SUMMARY OF THE ISSUE

The following is a summary of the issue and should be read in conjunction with, and is qualified by reference to, the other information set out in this document and the Base Listing Document. Terms used in this Summary are defined in the Conditions.

Issuer:	SG Issuer
Company:	China Merchants Bank Co., Ltd.
The Certificates:	European Style Structured Certificates (Autocallable Certificates) relating to the Underlying Stock
Number:	2,000,000 Certificates
Form:	The Certificates will be issued subject to, and with the benefit of, a master instrument by way of deed poll dated 14 June 2024 (the “ Master Instrument ”) and executed by the Issuer and the Guarantor and a master warrant agent agreement dated 29 May 2017 (the “ Master Warrant Agent Agreement ”) and made between the Issuer, the Guarantor and the Warrant Agent (as amended and/or supplemented from time to time).
Cash Settlement Amount:	<p>(a) In the event that there is non-occurrence of an Automatic Early Expiry, in respect of each Certificate, an amount denominated in the Settlement Currency equal to:</p> <ul style="list-style-type: none">i. if there is non-occurrence of a Knock-in Event, Notional Amount per Certificate x Cap; orii. if there is occurrence of a Knock-in Event, Notional Amount per Certificate x Min(Cap ; Closing Price/Strike Price). <p>(b) In the event that there is occurrence of an Automatic Early Expiry, in respect of each Certificate, an amount denominated in the Settlement Currency equal to:</p> <p style="text-align: center;">Notional Amount per Certificate x Cap</p>
Physical Stock:	<p>Settlement In respect of a Physical Delivery Lot of the Certificates to which the Physical Settlement is applicable, the number of the Underlying Stock to be delivered by the Issuer by the Physical Settlement Date to a Physical Delivery Agent⁴ and equal to (a) the Cash Settlement Amount (less any Exercise Expenses) multiplied by the Physical Delivery Lot; (b) divided by the Closing Price multiplied by the Exchange Rate, rounded down to the nearest integer number of the Underlying Stock.</p>
Cash Residual Amount:	In respect of a Physical Delivery Lot of the Certificates to which the Physical Settlement is applicable, an amount in the Settlement Currency to be paid by the Issuer by the Cash Settlement Date to the Physical Delivery Agent ⁴ equal to the value of (a) the Cash Settlement Amount (less

any Exercises Expenses) multiplied by the Physical Delivery Lot; less (b) the Physical Settlement Stock multiplied by the Closing Price multiplied by the Exchange Rate

Distribution: In respect of each Certificate, shall be the Distribution Amount per Observation Date payable in the Settlement Currency to holders of the Certificates appearing in the records maintained by CDP as at 5:00 p.m. (Singapore time) on the fifth Business Day following such Observation Date (if such Observation Date does not fall on the Valuation Date) or on the second Business Day following the Valuation Date (if such Observation Date falls on the Valuation Date) (subject to change by the Issuer on giving notice to investors via SGXNet) on the Distribution Payment Date, if on such Observation Date, the closing price of the Underlying Stock is higher than or equal to the Distribution Barrier

Denominations: Certificates are represented by a global warrant in respect of all the Certificates.

Exercise: The Certificates may only be exercised on the Expiry Date or the Early Expiry Date, as the case may be, or if the Expiry Date or the Early Expiry Date, as the case may be, is not a Business Day, the immediately following Business Day, in a Board Lot or integral multiples thereof. Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive.

If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or the Early Expiry Date, as the case may be, or if the Expiry Date or the Early Expiry Date, as the case may be, is not a Business Day, the immediately following Business Day. In such a case:

- (i) if and to the extent the Cash Settlement applies, the aggregate Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(d(i)(A)) of the Conditions; and
- (ii) if and to the extent the Physical Settlement applies, the Physical Settlement Stock together with the Cash Residual Amount (if any) shall be delivered and paid in the manner set out in Condition 4(d(i)(B)) of the Conditions.

In the event the Cash Settlement Amount (less any Exercise Expenses) is zero or negative, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or the Early Expiry Date, as the case may be, or if the Expiry Date or the Early Expiry Date, as the case may be, is not a Business Day, the immediately following Business Day, and Certificate Holders shall not be entitled to receive any payment (other

than the Distribution(s) (if applicable and if any)) from the Issuer in respect of the Certificates.

Exercise and Trading Currency:	SGD
Board Lot:	100 Certificates
Transfers of Certificates:	Certificates may only be transferred in Board Lots (or integral multiples thereof). All transfers in Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records of CDP.
Listing:	Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. Issue of the Certificates is conditional on such listing being granted. It is expected that dealings in the Certificates on the SGX-ST will commence on or about 1 August 2024.
Governing Law:	The laws of Singapore
Warrant Agent:	The Central Depository (Pte) Limited 4 Shenton Way #02-01 SGX Centre 2 Singapore 068807
Further Issues:	Further issues which will form a single series with the Certificates will be permitted, subject to the approval of the SGX-ST.

The above summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this document and the Base Listing Document.

INFORMATION RELATING TO THE EUROPEAN STYLE STRUCTURED CERTIFICATES (AUTOCALLABLE CERTIFICATES)

What are European Style Structured Certificates (Autocallable Certificates)?

The Certificates are the equity linked certificates, which are in the form of call warrants, that may allow you to benefit from Distribution(s) as well as an increase in the price of the Underlying Stock via payment of the Cash Settlement Amount and the Distribution(s). The Cash Settlement Amount will be subject to the Cap which shall not be less than 100%. If and to the extent the Physical Settlement is applicable, investors of the relevant Certificates are also looking to hold the Underlying Stock after the expiry of the relevant Certificates.

The Certificates are only suitable for investors who believe that the price of the Underlying Stock will remain flat or rise only slightly during the term of the Certificates and are seeking potential Distribution(s), and should be only considered for investment purposes over the term of the Certificates.

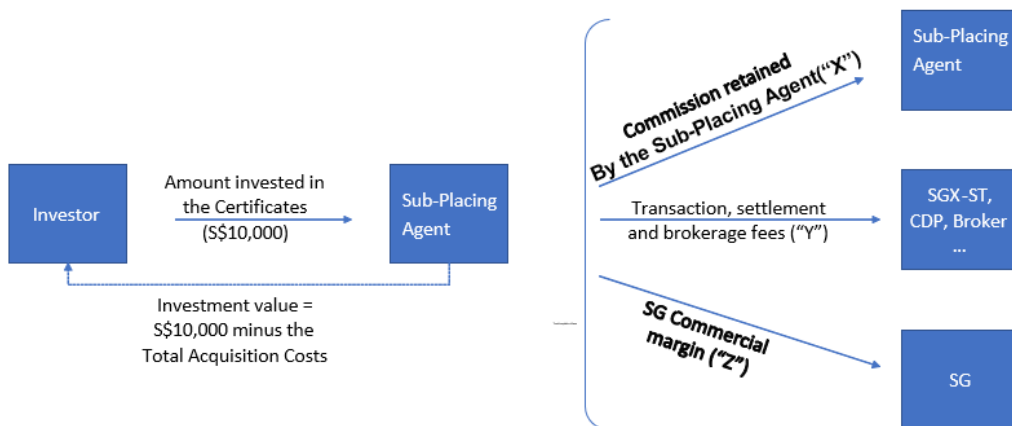
Illustration of acquisition costs

Assuming that an investor purchases 10,000 Certificates at the Issue Price of S\$1.00 per Certificate, and that such investor acquires the Certificates through the distribution service of a Sub-Placing Agent of the Certificates:

- A distribution fee (“X”) may be retained by the Sub-Placing Agent
- The investor may incur certain transaction, settlement and brokerage fees, similar to fees that the investor would pay for other transactions on the SGX-ST (“Y”);
- Société Générale (“SG”) would retain a commercial margin when hedging the Certificates (“Z”).

(X+Y+Z being the “**Total Acquisition Costs**”).

As such, the investment value of the Certificates immediately after investment in the Certificates, which would be equal to S\$10,000 minus the Total Acquisition Costs, will be lower than the amount paid by the investor to purchase the Certificates and for an investor to secure a profit, the increase in market value of the Certificates has to exceed the Total Acquisition Costs.



Hypothetical example to illustrate when can investors get back their investment and what (if any) do investors get back?

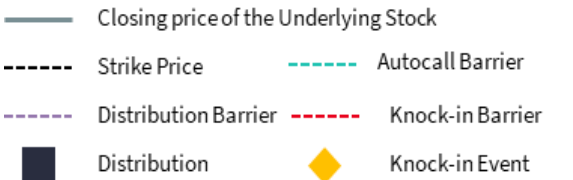
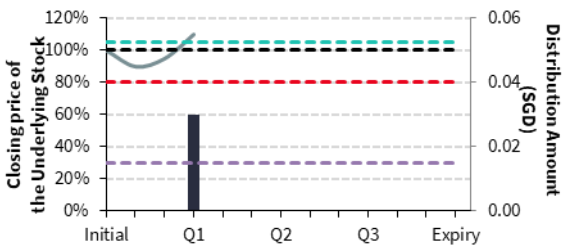
Illustration on the potential payout of the Certificates under different conditions

The figures used in this example are given for purely indicative purposes, the objective is to describe the mechanism of the product. It is no guarantee as to future returns and has no contractual value.

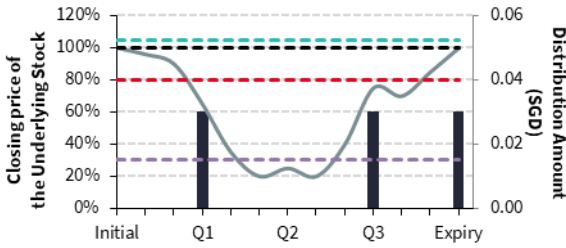
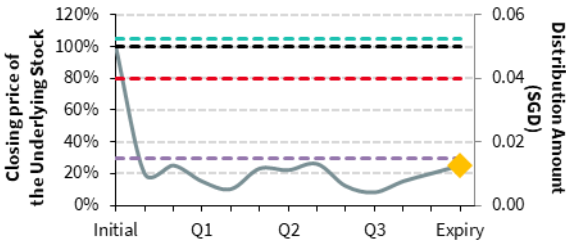
The below Scenario Analysis aims to illustrate the potential payout of the Certificates under different conditions:

Assumptions:

- Notional Amount (“NA”) per Certificate = SGD 1.00
- Tenor = 12 months;
- Periodic Observation Date & Distribution Payment Date: Quarterly
- Distribution Barrier = 30% of the Initial Price;
- Strike Price = 100% of the Initial Price;
- Autocall Barrier = 105% of the Initial Price;
- Potential Distribution Amount per Distribution Payment Date = SGD 0.03 per Certificate;
- Knock-in Observation Date is Valuation Date;
- Knock-in Barrier = 80% of the Initial Price;
- Cap = 100%

Scenario	Illustrative payout diagram 	Total payout (per Certificate)
Scenario 1 Cash Settlement at Early Expiry: - The Underlying Stock has closed at or above the Distribution Barrier on each Observation Date before the Early Valuation Date - The Underlying Stock closed at or above the Autocall Barrier on an Observation Date		Distribution: Distribution Amount (“DA”) x total number of Observation Dates on or before the Early Valuation Date on which the Underlying Stock has closed at or above the Distribution Barrier on such day = SGD 0.03 x 1 = SGD 0.03 Cash Settlement Amount (“CSA”): NA x Cap = SGD 1.00 x 100% = SGD 1.00

	Scenario	Q1	Q2	Q3	Q4
	DA	SGD 0.03			
	Accumulated DA & CSA	SGD 0.03 + SGD 1.00			
<p>Scenario 2 Cash Settlement at Expiry:</p> <ul style="list-style-type: none"> - The Underlying Stock has closed at or above the Distribution Barrier on each Observation Date - The Underlying Stock has closed at or above the Knock-in Barrier on the Knock-in Observation Date (i.e. Valuation Date) - The Underlying Stock closed below the Strike Price on the Valuation Date 					<p>Distribution: Distribution Amount (“DA”) x total number of Observation Dates on or before the Valuation Date on which the Underlying Stock has closed at or above the Distribution Barrier on such day = SGD 0.03 x 4 = SGD 0.12</p> <p>Cash Settlement Amount (“CSA”): NA x Cap = SGD 1.00 x 100% = SGD 1.00</p>
	Scenario	Q1	Q2	Q3	Q4
DA	SGD 0.03	SGD 0.03	SGD 0.03	SGD 0.03	
Accumulated DA & CSA	SGD 0.03	SGD 0.06	SGD 0.09	SGD 0.12 + SGD 1.00	
<p>Scenario 3 Cash Settlement / Physical Settlement at Expiry:</p> <ul style="list-style-type: none"> - The Underlying Stock has closed at or above the Distribution Barrier on each Observation Date - The Underlying Stock has closed below the Knock-in Barrier on the Knock-in Observation Date (i.e. the Valuation Date) - The Underlying Stock closed below the Strike Price on the Valuation Date 					<p>Distribution: Distribution Amount (“DA”) x total number of Observation Dates on or before the Valuation Date on which the Underlying Stock has closed at or above the Distribution Barrier on such day = SGD 0.03 x 4 = SGD 0.12</p> <p>A. Cash Settlement Amount (“CSA”): NA x Min (Cap ; Closing Price/Strike Price) = SGD 1.00 x (75.00% / 100.00%) = SGD 1.00 x 75.00% = SGD 0.75</p> <p>OR</p>
	Scenario	Q1	Q2	Q3	Q4
DA	SGD 0.03	SGD 0.03	SGD 0.03	SGD 0.03	
Accumulated DA & CSA	SGD 0.03	SGD 0.06	SGD 0.09	SGD 0.12 + SGD 1.00	

		<p>B. Physical Settlement (in respect of a Physical Delivery Lot of the Certificates): Physical Settlement Stock and Cash Residual Amount (if any)</p>															
<p>Scenario 4 Cash Settlement at Expiry: - The Underlying Stock has closed below the Distribution Barrier on some Observation Dates - The Underlying Stock has closed at or above the Knock-in Barrier on the Knock-in Observation Date (i.e. the Valuation Date) - The Underlying Stock closed at or above the Strike Price on the Valuation Date</p>	 <table border="1" data-bbox="466 1218 1289 1352"> <thead> <tr> <th>Scenario</th> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> </tr> </thead> <tbody> <tr> <td>DA</td> <td>SGD 0.03</td> <td>SGD 0</td> <td>SGD 0.03</td> <td>SGD 0.03</td> </tr> <tr> <td>Accumulated DA & CSA</td> <td>SGD 0.03</td> <td>SGD 0.03</td> <td>SGD 0.06</td> <td>SGD 0.09 + SGD 1.00</td> </tr> </tbody> </table>	Scenario	Q1	Q2	Q3	Q4	DA	SGD 0.03	SGD 0	SGD 0.03	SGD 0.03	Accumulated DA & CSA	SGD 0.03	SGD 0.03	SGD 0.06	SGD 0.09 + SGD 1.00	<p>Distribution: Distribution Amount (“DA”) x total number of Observation Dates on or before the Valuation Date on which the Underlying Stock has closed at or above the Distribution Barrier on such day = SGD 0.03 x 3 = SGD 0.09</p> <p>Cash Settlement Amount (“CSA”): NA x Cap = SGD 1.00 x 100% = SGD 1.00</p>
Scenario	Q1	Q2	Q3	Q4													
DA	SGD 0.03	SGD 0	SGD 0.03	SGD 0.03													
Accumulated DA & CSA	SGD 0.03	SGD 0.03	SGD 0.06	SGD 0.09 + SGD 1.00													
<p>Scenario 5 Cash Settlement / Physical Settlement at Expiry: - The Underlying Stock has always closed below the Distribution Barrier on each Observation Date - The Underlying Stock has closed below the Knock-in Barrier on the Knock-in Observation Date</p>		<p>Distribution: Distribution Amount (“DA”) x total number of Observation Dates on or before the Valuation Date on which the Underlying Stock has closed at or above the Distribution Barrier on such day = SGD 0.03 x 0 = SGD 0.00</p> <p>A. Cash Settlement Amount (“CSA”): NA x Min (Cap ; Closing Price/Strike Price)</p>															

(i.e. the Valuation Date)	$= \text{SGD } 1.00 \times (25.00\% / 100.00\%)$ $= \text{SGD } 1.00 \times 25.00\%$ $= \text{SGD } 0.25$ <p>OR</p> <p>B. Physical Settlement (in respect of a Physical Delivery Lot of the Certificates): Physical Settlement Stock and Cash Residual Amount (if any)</p>																	
	<table border="1"> <thead> <tr> <th>Scenario</th> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> </tr> </thead> <tbody> <tr> <td>DA</td> <td>SGD 0.00</td> <td>SGD 0.00</td> <td>SGD 0.00</td> <td>SGD 0.00</td> </tr> <tr> <td>Accumulated DA & CSA</td> <td>SGD 0.00</td> <td>SGD 0.00</td> <td>SGD 0.00</td> <td>SGD 0.00 + SGD 0.25</td> </tr> </tbody> </table>	Scenario	Q1	Q2	Q3	Q4	DA	SGD 0.00	SGD 0.00	SGD 0.00	SGD 0.00	Accumulated DA & CSA	SGD 0.00	SGD 0.00	SGD 0.00	SGD 0.00 + SGD 0.25		
Scenario	Q1	Q2	Q3	Q4														
DA	SGD 0.00	SGD 0.00	SGD 0.00	SGD 0.00														
Accumulated DA & CSA	SGD 0.00	SGD 0.00	SGD 0.00	SGD 0.00 + SGD 0.25														

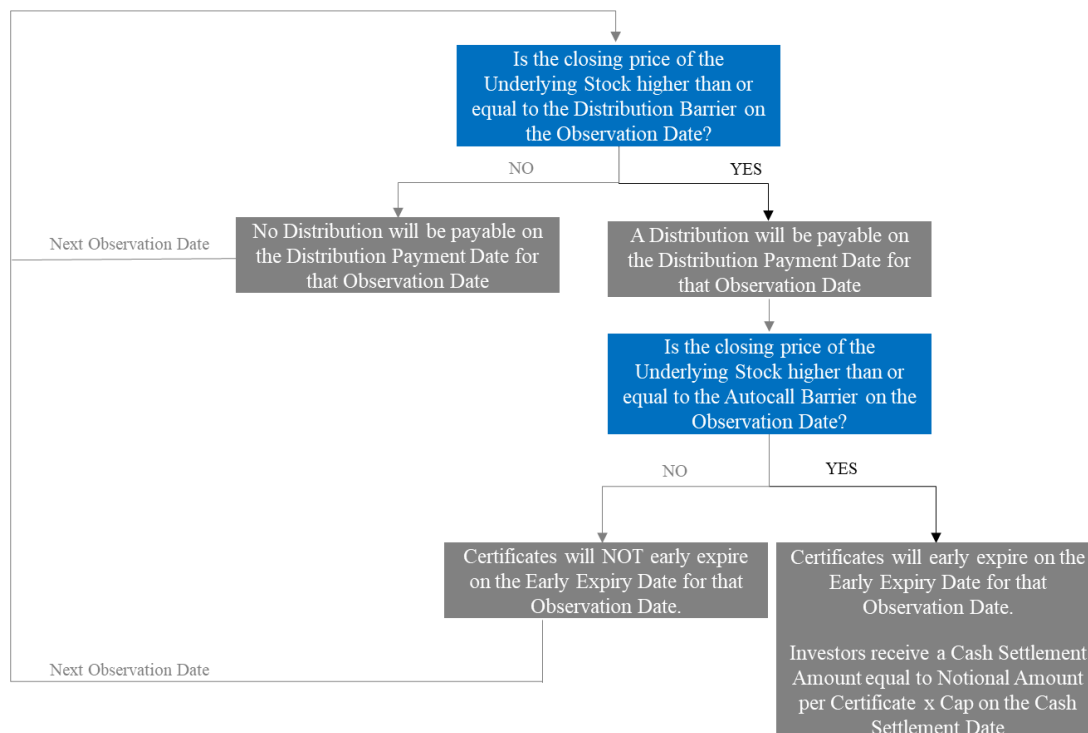
Total return of direct investment in the Underlying Stock = Notional Amount x (Closing Price of the Underlying Stock at expiry / Initial Price of the Underlying Stock – 1)

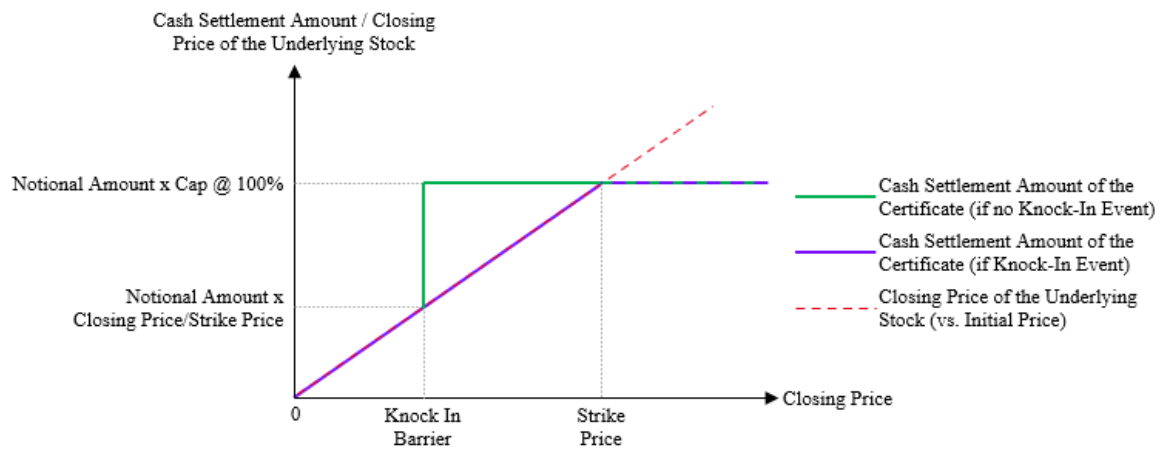
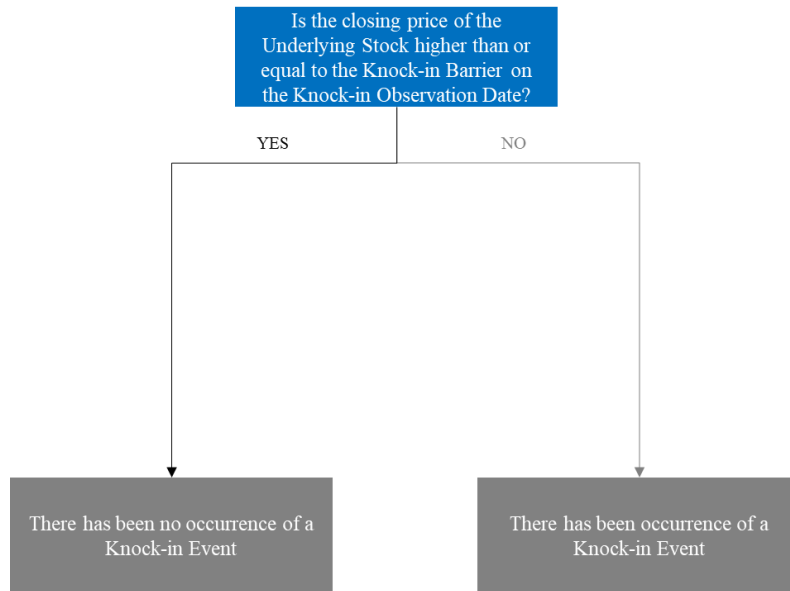
The fees and charges are not included in the above payout illustration.

Illustration on the payout mechanism of the Certificates

The figures used in this example are given for purely indicative purposes, the objective is to describe the mechanism of the product. It is no guarantee as to future returns and has no contractual value.

The below aims to illustrate the payout mechanism of the Certificates:





Assumption: Strike Price = 100% of Initial Price

Note: the payoff chart assumes that there is non-occurrence of an Automatic Early Expiry.

Examples and illustrations of adjustments due to certain corporate actions

The examples are purely hypothetical and provided for indicative purposes only.

In the case of any corporate action on the Underlying Stock, the Issuer will, as soon as reasonably practical after it becomes aware of such event, determine whether such corporate action has a dilutive or concentrative effect on the theoretical value of the Underlying Stock, and if so, will (a) calculate the corresponding adjustment, if any, to be made to the elements relating to the Underlying Stock which are used to determine any settlement or payment terms under the Certificates and/or adjust at its discretion any other terms of the Certificates as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Certificates and (b) determine the effective date of such adjustment.

The examples below are provided for indicative purposes and the Issuer may determine that the formulas below are not appropriate and may apply different formulas instead.

For the purpose of these illustrations, “**Adjustable Parameter**” means the Strike Price, the Autocall Barrier, the Distribution Barrier and the Knock-in Barrier.

Rights Issues

Treatment

If and whenever the Company shall, by way of Rights (as defined below), offer new Underlying Stock(s) for subscription at a fixed subscription price to the holders of existing Underlying Stocks pro rata to existing holdings (a “**Rights Offer**”), the Adjustable Parameters shall be adjusted to take effect on the Exchange Business Day on which trading in the shares becomes ex-entitlement (“**Rights Issue Adjustment Date**”) in accordance with the following formula:

$$\text{Adjustable Parameter after Rights Offer} = \frac{\text{Adjustable Parameter before Rights Offer}}{\text{Adjustment Factor}}$$

Where :

$$\text{Adjustment Factor} = \frac{1 + M}{1 + (R/S) \times M}$$

Adjustable Parameter after Rights Offer value of the Adjustable Parameter with effect from Rights Issue Adjustment Date

Adjustable Parameter before Rights Offer value of the Adjustable Parameter prior to the Rights Offer

S: Cum-Rights Share price being the closing price of an existing Underlying Stock on the last Exchange Business Day on which the Underlying Stock is traded on a cum-rights basis

R: Subscription price per new Underlying Stock specified in the Rights Offer plus an amount equal to any dividends or other benefits foregone to exercise the Rights

M: Number of new Underlying Stock(s) (whether a whole or a fraction) per existing Underlying Stock each holder thereof is entitled to subscribe

“**Rights**” means the right(s) attached to each existing Underlying Stock or needed to acquire one new Underlying Stock (as the case may be) which are given to the holders of existing Underlying Stocks to subscribe at a fixed subscription price for new Underlying Stocks pursuant to the Rights Offer (whether by the exercise of one Right, a part of a Right or an aggregate number of Rights).

Numerical illustration

Assuming that there is a rights issue with respect to the Underlying Stock, with a right to receive 1 new Underlying Stock for every 2 existing Underlying Stocks, for a subscription price of \$40.

S = \$100

R = \$40

M = 0.5 (i.e. 1 new Underlying Stock for every 2 existing Underlying Stocks)

$$\text{Adjustment Factor} = \frac{1 + 0.5}{1 + \frac{\$40}{\$100} \times 0.5} = 1.25$$

The adjustments to the Adjustable Parameters are as follows:

Adjustable Parameter	Adjustable Parameter before Rights Offer	Adjustable Parameter after Rights Offer
Strike Price	\$95	\$95 / 1.25 = \$76
Autocall Barrier	\$110	\$110 / 1.25 = \$88
Distribution Barrier	\$30	\$30 / 1.25 = \$24
Knock-in Barrier	\$95	\$95 / 1.25 = \$76

Bonus Issues

Treatment

If and whenever the Company shall make an issue of Underlying Stocks credited as fully paid to the holders of Underlying Stocks generally by way of capitalisation of profits or reserves (other than pursuant to a scrip dividend or similar scheme for the time being operated by the Company or otherwise in lieu of a cash dividend and without any payment or other consideration being made or given by such holders) (a “**Bonus Issue**”), the Adjustable Parameters shall be adjusted on the Exchange Business Day on which trading in the Underlying Stocks becomes ex-entitlement (“**Bonus Issue Adjustment Date**”) in accordance with the following formula:

$$\text{Adjustable Parameter after Bonus Issue} = \frac{\text{Adjustable Parameter before Bonus Issue}}{\text{Adjustment Factor}}$$

Where :

$$\text{Adjustment Factor} = 1 + N$$

Adjustable Parameter after Bonus Issue value of the Adjustable Parameter with effect from Bonus Issue Adjustment Date

Adjustable Parameter before Bonus Issue value of the Adjustable Parameter prior to the Bonus Issue

N: Number of additional Underlying Stocks (whether a whole or a fraction) received by a holder of Underlying Stocks for each Underlying Stock held prior to the Bonus Issue

Numerical illustration

Assuming that there is a bonus issue with respect to the Underlying Stock, where shareholders receive 1 bonus Underlying Stock for 5 existing Underlying Stocks:

$N = 0.2$ (i.e. 1 bonus Underlying Stock for 5 existing Underlying Stocks)

$$\text{Adjustment Factor} = 1 + 0.2 = 1.2$$

The adjustments to the Adjustable Parameters are as follows:

Adjustable Parameter	Adjustable Parameter before Bonus Issue	Adjustable Parameter after Bonus Issue
Strike Price	\$95	$\$95 / 1.20 = \79.1667
Autocall Barrier	\$110	$\$110 / 1.20 = \91.6667
Distribution Barrier	\$30	$\$30 / 1.20 = \25
Knock-in Barrier	\$95	$\$95 / 1.20 = \79.1667

Subdivisions and Consolidation

Treatment

If and whenever the Company shall subdivide its Underlying Stocks or any class of its outstanding share capital comprised of the Underlying Stocks into a greater number of Underlying Stocks (a “**Subdivision**”) or consolidate the Underlying Stocks or any class of its outstanding share capital comprised of the Underlying Stocks into a smaller number of shares (a “**Consolidation**”), then:

- (a) in the case of a Subdivision, the Adjustable Parameters (which shall be rounded to the nearest 0.0001) will be decreased in the same ratio as the Subdivision; and
- (b) in the case of a Consolidation, the Adjustable Parameters (which shall be rounded to the nearest 0.0001) will be increased in the same ratio as the Consolidation,

in each case on the day on which the Subdivision or Consolidation shall have taken effect.

Numerical illustration

Assuming that the Underlying Stock is subject to a 2 to 1 share Consolidation (i.e. 1 Underlying Stock cancelled for every 2 existing Underlying Stocks).

The adjustments to the Adjustable Parameters are as follows:

Adjustable Parameter	Adjustable Parameter before Consolidation	Adjustable Parameter after Consolidation
Strike Price	\$95	\$95 x 2 = \$190
Autocall Barrier	\$110	\$110 x 2 = \$220
Distribution Barrier	\$30	\$30 x 2 = \$60
Knock-in Barrier	\$95	\$95 x 2 = \$190

Cash Distribution

Treatment

No adjustment will be made for an ordinary cash dividend (whether or not it is offered with a scrip alternative) (“**Ordinary Dividend**”). For any other forms of cash distribution (“**Cash Distribution**”) announced by the Company, such as a cash bonus, special dividend or extraordinary dividend, no adjustment will be made unless the value of the Cash Distribution accounts for 2 percent or more of the Underlying Stock’s closing price on the day of announcement by the Company.

If and whenever the Company shall make a Cash Distribution credited as fully paid to the holders of Underlying Stocks generally, the Adjustable Parameters shall be adjusted to take effect on the Exchange Business Day on which trading in the Underlying Stocks becomes ex-entitlement (“**Cash Distribution Adjustment Date**”) in accordance with the following formula:

$$\text{Adjustable Parameter after Cash Distribution} = \frac{\text{Adjustable Parameter before Cash Distribution}}{\text{Adjustment Factor}}$$

Where :

$$\text{Adjustment Factor} = \frac{S - OD}{S - OD - CD}$$

Adjustable Parameter after Cash Distribution value of the Adjustable Parameter with effect from Cash Distribution Adjustment Date

Adjustable Parameter before Cash Distribution value of the Adjustable Parameter prior to the Cash Distribution

S: The closing price of the existing Underlying Stock on the Exchange Business Day immediately preceding the Cash Distribution Adjustment Date

CD: The amount of Cash Distribution per Underlying Stock

OD: The amount of Ordinary Dividend per Underlying Stock, provided that the Ordinary Dividend and the Cash Distribution shall have the same ex-entitlement date. For the avoidance of doubt, the OD shall be deemed to be zero if the ex-entitlement dates of the relevant Ordinary Dividend and Cash Distribution are different

Numerical illustration

Assuming that there is an extraordinary dividend of \$20 (net of taxes) paid in respect of each Underlying Stock:

S = \$100

CD = \$20

OD = \$0

$$\text{Adjustment Factor} = \frac{\$100 - \$0}{\$100 - \$0 - \$20} = 1.25$$

The adjustments to the Adjustable Parameters are as follows:

Adjustable Parameter	Adjustable Parameter before Cash Distribution	Adjustable Parameter after Cash Distribution
Strike Price	\$95	$\$95 / 1.25 = \76
Autocall Barrier	\$110	$\$110 / 1.25 = \88
Distribution Barrier	\$30	$\$30 / 1.25 = \24
Knock-in Barrier	\$95	$\$95 / 1.25 = \76

INFORMATION RELATING TO THE COMPANY

All information contained in this document regarding the Company, including, without limitation, its financial information, is derived from publicly available information which appears on the web-site of Hong Kong Exchanges and Clearing Limited (the “HKExCL”) at <http://www.hkex.com.hk> and/or the Company’s web-site at <https://english.cmbchina.com/>. The Issuer has not independently verified any of such information.

China Merchants Bank Co., Ltd. (the “**Company**” or the “**Bank**”) is a China-based commercial bank. The Bank operates its businesses through three segments, which are Wholesale Finance segment, Retail Finance segment and Other segment. Wholesale Finance segment consists of savings and loans; settlement and cash management services; trade finance and offshore business; investment banking; interbank lending, buyback and other interbank business; asset custody business; financial market business and other businesses. Retail Finance segment includes savings and loans, bank card services, wealth management, private banking and other services. Other segment consists of investment real estates and the operations of the Company’s subsidiaries, affiliated companies and joint venture companies. The Company operates its business in domestic market and to overseas markets, with China as its main market.

The information set out in the Appendix to this document relates to the unaudited first quarterly report of the Company and its subsidiaries for the three months ended 31 March 2024 and has been extracted and reproduced from an announcement by the Company dated 29 April 2024 in relation to the same. Further information relating to the Company may be located on the web-site of the HKExCL at <http://www.hkex.com.hk>.

INFORMATION RELATING TO THE DESIGNATED MARKET MAKER

Société Générale has been appointed the designated market maker (“**DMM**”) for the Certificates. The DMM will provide competitive buy and sell quotes for the Certificates continuously during the trading hours of the SGX-ST on the following basis:

- (a) Maximum bid and offer spread : 10 ticks or S\$0.20 whichever is greater
- (b) Minimum quantity subject to bid and offer spread : 10,000 Certificates
- (c) Last Trading Day for Market Making : The date falling on the earlier of (i) 5 Business Days immediately preceding the Expiry Date and (ii) the Early Valuation Date (if any)

In addition, the DMM may not provide a quotation in the following circumstances:

- (i) during the pre-market opening and five minutes following the opening of the SGX-ST on any trading day;
- (ii) if the Certificates are valueless (where the Issuer’s bid price is below the minimum bid size for such securities as prescribed by the SGX-ST);
- (iii) before the Relevant Stock Exchange for the Underlying Stock has opened and after the Relevant Stock Exchange for the Underlying Stock has closed on any trading day;
- (iv) when trading in the Underlying Stock is suspended or limited in a material way for any reason, for the avoidance of doubt, the DMM is not obliged to provide quotations for the Certificates at any time when the Underlying Stock is not negotiated/traded for any reason;
- (v) where the Certificates are suspended from trading for any reason;
- (vi) market disruption events, including, without limitation, any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the SGX-ST or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) in the Underlying Stock;
- (vii) where the Issuer or the DMM faces technical problems affecting the ability of the DMM to provide bids and offer quotations;
- (viii) where the ability of the Issuer to source a hedge or unwind an existing hedge, as determined by the Issuer in good faith, is materially affected by the prevailing market conditions, and the Issuer informs the SGX-ST of its inability to do so as soon as practicable;
- (ix) in cases where the Issuer has no Certificates to sell, then the DMM will only provide the bid price;
- (x) if the stock market experiences exceptional price movement and volatility; and

- (xi) when it is a public holiday in Singapore and/or Hong Kong and/or the SGX-ST and/or the HKEX are not open for dealings.

The last trading day on which the DMM will provide competitive quotations for the Certificates would be the earlier of (i) 5 Business Days immediately preceding the Expiry Date and (ii) the Early Valuation Date (if any).

SUPPLEMENTAL INFORMATION RELATING TO THE GUARANTOR

On 25 July 2024, the share capital of Société Générale has increased to EUR 1,015,044,435.00 and comprises 812,035,548 shares with a nominal value of EUR 1.25 per share.

SUPPLEMENTAL GENERAL INFORMATION

The information set out herein is supplemental to, and should be read in conjunction with the information set out in the Base Listing Document.

1. Save as disclosed in this document and the Base Listing Document, neither the Issuer nor the Guarantor is involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer or the Guarantor is aware) which may have or have had in the previous 12 months a significant effect on the financial position of the Issuer or the Guarantor in the context of the issuance of the Certificates.
2. Settlement of trades done on a normal “ready basis” on the SGX-ST generally take place on the second Business Day following the transaction. Dealing in the Certificates will take place in Board Lots in Singapore dollars. For further details on the transfer of Certificates and their exercise, please refer to the section headed “Summary of the Issue” above.
3. It is not the current intention of the Issuer to apply for a listing of the Certificates on any stock exchange other than the SGX-ST.
4. Save as disclosed in the Base Listing Document and herein, there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2023 or the Guarantor since 31 March 2024, in the context of the issuance of Certificates hereunder.
5. The following contracts, relating to the issue of the Certificates, have been or will be entered into by the Issuer and/or the Guarantor and may be material to the issue of the Certificates:
 - (a) the Guarantee;
 - (b) the Master Instrument; and
 - (c) the Master Warrant Agent Agreement.

None of the directors of the Issuer and the Guarantor has any direct or indirect interest in any of the above contracts.

6. The reports of the Auditors of the Issuer and the Guarantor were not prepared exclusively for incorporation into this document.

The Auditors of the Issuer and the Guarantor have no shareholding in the Issuer or the Guarantor or any of its subsidiaries, nor do they have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of the Issuer or the Guarantor or any of its subsidiaries.
7. The Certificates are not fully covered by the Underlying Stock held by Issuer or a trustee for and on behalf of the Issuer. The Issuer has appropriate risk management capabilities to manage the issue of the Certificates.
8. Société Générale, Singapore Branch, currently of 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, has been authorised to accept, on behalf of the Issuer and the Guarantor, service of process and any other notices required to be served on the Issuer or the Guarantor. Any notices required to be served on the Issuer or the Guarantor should be sent to Société Générale at the above address for the attention of Société Générale Legal Department.
9. Copies of the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) at the offices of Société Générale,

Singapore Branch at 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, during the period of 14 days from the date of this document:

- (a) the Memorandum and Articles of Association of the Issuer and the Constitutional Documents of the Guarantor;
- (b) the latest financial reports (including the notes thereto) of the Issuer;
- (c) the latest financial reports (including the notes thereto) of the Guarantor;
- (d) the Base Listing Document (which can also be viewed at: <https://www.sgx.com/securities/prospectus-circulars-offer-documents>);
- (e) this document; and
- (f) the Guarantee.

PLACING AND SALE

General

No action has been or will be taken by the Issuer that would permit a public offering of the Certificates or possession or distribution of any offering material in relation to the Certificates in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of any Certificates, or distribution of any offering material relating to the Certificates may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws or regulations and will not impose any obligation on the Issuer.

Each Certificate Holder undertakes that it will inform any subsequent purchaser of the terms and conditions of the Certificates and all such subsequent purchasers as may purchase such securities from time to time shall be deemed to be a Certificate Holder for the purposes of the Certificates and shall be bound by the terms and conditions of the Certificates.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Certificates may not be circulated or distributed, nor may Certificates be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than pursuant to, and in accordance with the conditions of, any applicable provision of the Securities and Futures Act 2001 of Singapore.

Hong Kong

Each dealer has represented and agreed, and each further dealer appointed in respect of the Certificates and each other purchaser will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Certificates (except for Certificates which are a "structured product" as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong ("SFO")) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus", as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong ("CWUMPO") or which do not constitute an offer to the public within the meaning of the CWUMPO; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

European Economic Area

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell, or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the European Economic Area.

For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended and superseded, the Prospectus Regulation); and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

United Kingdom

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
 - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act, as amended (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

Each dealer further represents and agrees, and each further dealer appointed in respect of the Certificates will be required to further represent and agree, that:

- (a) in respect to Certificates having a maturity of less than one year: (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or sell any Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Certificates in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Certificates in, from or otherwise involving the United Kingdom.

United States

The Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the “**CFTC**”) under the United States Commodity Exchange Act of 1936, as amended (the “**Commodity Exchange Act**”) and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised.

Each dealer has represented and agreed, and each further dealer will be required to represent and agree, that it has not and will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redeem, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such U.S. person. Any person purchasing Certificates of any tranches must agree with the relevant dealer or the seller of such Certificates that (i) it is not a U.S. Person, (ii) it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, any Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person, and (iii) it is not purchasing any Certificates, directly or indirectly, in the United States or for the account or benefit of any U.S. person.

Exercise or otherwise redemption of Certificates will be conditional upon certification that each person exercising or otherwise redeeming a Certificate is not a U.S. person or in the United States and that the Certificate is not being exercised or otherwise redeemed on behalf of a U.S. person. No payment will be made to accounts of holders of the Certificates located in the United States.

As used in the preceding paragraphs, the term “**United States**” includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America, and the term “**U.S. person**” means any person who is (i) a U.S. person as defined under Regulation S under the

Securities Act, (ii) a U.S. person as defined in paragraph 7701(a)(30) of the Internal Revenue Code of 1986, or (iii) a person who comes within any definition of U.S. person for the purposes of the United States Commodity Exchange Act of 1936, as amended (the “**CEA**”) or any rules thereunder of the CFTC (the “**CFTC Rules**”), guidance or order proposed or issued under the CEA (for the avoidance of doubt, any person who is not a “Non-United States person” defined under CFTC Rule 4.7(a)(1)(iv), but excluding, for purposes of subsection (D) thereof, the exception for qualified eligible persons who are not “Non-United States persons”, shall be considered a U.S. person).

APPENDIX

REPRODUCTION OF THE UNAUDITED FIRST QUARTERLY REPORT FOR THE THREE MONTHS ENDED 31 MARCH 2024 OF CHINA MERCHANTS BANK CO., LTD. AND ITS SUBSIDIARIES

The information set out below is a reproduction of the unaudited first quarterly report of the Company and its subsidiaries for the three months ended 31 March 2024 and has been extracted and reproduced from an announcement by the Company dated 29 April 2024 in relation to the same.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



招商銀行股份有限公司
CHINA MERCHANTS BANK CO., LTD.
(H Share Stock Code: 03968)

FIRST QUARTERLY REPORT OF 2024

The financial information set out in this quarterly report is unaudited and prepared in accordance with the International Financial Reporting Standards.

This announcement is made by the Company pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

1 Important Notice

The Board of Directors, the Board of Supervisors, Directors, Supervisors and senior management of the Company confirm that the contents in this report are true, accurate, and complete and have no false representations, misleading statements or material omissions, and they will individually and collectively accept legal responsibility for such contents.

Miao Jianmin, Chairman of the Board of Directors, Wang Liang, President and Chief Executive Officer, Peng Jiawen, Executive Vice President, Chief Financial Officer and Secretary of the Board of Directors and Zhang Dong, the person in charge of the Finance and Accounting Department, hereby make representations in respect of the truthfulness, accuracy and completeness of the financial information in this report.

The Audit Committee under the Board of Directors of the Company has reviewed this report and agreed to submit the same to the Board of Directors for consideration. The 32nd meeting of the Twelfth Session of the Board of Directors and the 27th meeting of the Twelfth Session of the Board of Supervisors of the Company had reviewed and unanimously approved the first quarterly report of 2024 of the Company, respectively.

All financial statements set out in this report are prepared in accordance with the International Financial Reporting Standards and are unaudited. The unaudited quarterly report prepared by the Company in accordance with the PRC Accounting Standards has been published on the website of Shanghai Stock Exchange. Unless otherwise stated, all monetary sums stated in this report are expressed in RMB. In the event of any discrepancies in interpretation between the English and Chinese versions, the Chinese version shall prevail.

“China Merchants Bank”, “the Company” and “the Bank” mentioned in this report refer to China Merchants Bank Co., Ltd.; “the Group” refers to China Merchants Bank Co., Ltd. and its subsidiaries; “CMB Wing Lung Bank” refers to CMB Wing Lung Bank Limited; “CMB Financial Leasing” or “CMBFL” refers to CMB Financial Leasing Co., Ltd.; “CMB International Capital” or “CMBIC” refers to CMB International Capital Holdings Corporation Limited; “CMB Wealth Management” refers to CMB Wealth Management Company Limited; “China Merchants Fund” or “CMFM” refers to China Merchants Fund Management Co., Ltd.; “CIGNA & CMAM” refers to CIGNA & CMB Asset Management Company Limited; and “CMB Europe S.A.” refers to China Merchants Bank (Europe) Co., Ltd..

We have included in this report certain forward-looking statements with respect to the financial position, operating results and business development of the Group. We use words such as “will”, “may”, “expect”, “try”, “strive”, “plan”, “anticipate”, “aim at”, and similar expressions in this report to indicate forward-looking statements. These statements are based on current plans, estimates and projections. Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, the Group gives no assurance that these expectations will turn into reality or prove to be correct. Therefore, they should not be deemed as the Group’s commitments. Investors should not place undue reliance on such statements and should pay attention to investment risks. You are cautioned that such forward-looking statements are related to future events or future financial position, business, or other performances of the Group, and are subject to a number of uncertainties which may cause substantial differences from those in the actual results.

2 Major Financial Data

2.1 Major accounting data and financial indicators of the Group

<i>(in millions of RMB, unless otherwise stated)</i>	At the end of the reporting period 31 March 2024	At the end of last year 31 December 2023	Increase/decrease at the end of the reporting period as compared to the end of last year (%)
Total assets	11,520,226	11,028,483	4.46
Equity attributable to shareholders of the Bank	1,118,965	1,076,370	3.96
Net assets per share attributable to ordinary shareholders of the Bank (in RMB Yuan) ⁽¹⁾	38.40	36.71	4.60

<i>(in millions of RMB, unless otherwise stated)</i>	January to March 2024	January to March 2023	Increase/decrease as compared to the corresponding period of last year (%)
Net operating income	86,420	90,625	-4.64
Net profit attributable to shareholders of the Bank	38,077	38,839	-1.96
Basic earnings per share attributable to ordinary shareholders of the Bank (in RMB Yuan) ⁽¹⁾	1.51	1.54	-1.95
Diluted earnings per share attributable to ordinary shareholders of the Bank (in RMB Yuan) ⁽¹⁾	1.51	1.54	-1.95
Annualised weighted average return on net assets attributable to ordinary shareholders of the Bank (%) ⁽¹⁾	16.08	18.43	Decrease of 2.35 percentage points
Net cash generated from operating activities ⁽²⁾	(1,208)	(12,618)	90.43

Notes:

- (1) Such indicators are calculated in accordance with the Rules for the Compilation and Submission of Information Disclosure by Companies Offering Securities to the Public No. 9—Calculation and Disclosure of Return on Net Assets and Earnings per Share. The Company did not distribute dividends on preferred shares or interests on perpetual bonds in the first quarter of 2024. Therefore, when calculating basic and diluted earnings per share attributable to ordinary shareholders of the Bank, return on average equity, net assets per share and other indicators, no dividend on preference shares or interest on perpetual bonds were involved to be deducted from “net profit attributable to shareholders of the Bank”, while preference shares and perpetual bonds were deducted from both the “average equity” and the “net assets”.
- (2) The increase in the net cash generated from operating activities was mainly due to the year-on-year increase in cash inflow of deposits from banks and other financial institutions and cash inflow of deposits from customers.

2.2 Explanation on the differences between the financial statements prepared in accordance with the PRC Accounting Standards and the International Financial Reporting Standards

In the financial statements prepared by the Group in accordance with the PRC Accounting Standards and the International Financial Reporting Standards, there has been no difference in the net profit attributable to shareholders of the Bank for the reporting period ended 31 March 2024 and the equity attributable to shareholders of the Bank as at the end of the reporting period.

3 Information on Shareholders

3.1 Information on the shareholders of ordinary shares

As at the end of the reporting period, the holders of ordinary shares of the Company are in a total of 597,008, including 568,738 holders of A Shares and 28,270 holders of H Shares. Neither the holders of A Shares nor the holders of H Shares are subject to restrictions on sales.

As at the end of the reporting period, the top 10 ordinary shareholders and the top 10 ordinary shareholders whose shareholdings are not subject to restrictions on sales of the Company were as follows.

No.	Name of shareholder	Type of shareholder	Shares held at the end of the period (share)	Percentage of the total share capital (%)	Type of shares	Changes as compared to the end of last year (share)	Shares subject to restrictions on sales (share)	Shares pledged, marked or frozen (share)
1	HKSCC Nominees Ltd.	Offshore legal person	4,554,142,794	18.06	H Shares not subject to restrictions on sales	88,953	-	Unknown
2	China Merchants Steam Navigation Co., Ltd.	State-owned legal person	3,289,470,337	13.04	A Shares not subject to restrictions on sales	-	-	-
3	China Ocean Shipping Company Limited	State-owned legal person	1,574,729,111	6.24	A Shares not subject to restrictions on sales	-	-	-
4	Shenzhen Yan Qing Investment and Development Company Ltd.	State-owned legal person	1,258,542,349	4.99	A Shares not subject to restrictions on sales	-	-	-
5	Hong Kong Securities Clearing Company Limited	Offshore legal person	1,170,375,388	4.64	A Shares not subject to restrictions on sales	109,880,997	-	-
6	China Merchants Financial Holdings Co., Ltd.	State-owned legal person	1,147,377,415	4.55	A Shares not subject to restrictions on sales	-	-	-
7	Hexie Health Insurance Co., Ltd. – Traditional - Ordinary insurance products	Domestic legal person	1,130,991,537	4.48	A Shares not subject to restrictions on sales	-	-	-
8	Shenzhen Chu Yuan Investment and Development Company Ltd.	State-owned legal person	944,013,171	3.74	A Shares not subject to restrictions on sales	-	-	-
9	Dajia Life Insurance Co., Ltd. – Universal products	Domestic legal person	776,574,735	3.08	A Shares not subject to restrictions on sales	-	-	-
10	COSCO Shipping (Guangzhou) Co., Ltd.	State-owned legal person	696,450,214	2.76	A Shares not subject to restrictions on sales	-	-	-

Notes:

- (1) Shares held by HKSCC Nominees Ltd. are the total shares in the accounts of holders of H Shares of the Company trading on the transaction platform of HKSCC Nominees Ltd.. Hong Kong Securities Clearing Company Ltd. is an institution designated by others to hold shares on behalf of them as a nominal holder, and the shares held by it are the A shares of China Merchants Bank acquired by investors through Northbound Trading.
- (2) As at the end of the reporting period, of the aforesaid top 10 shareholders, HKSCC Nominees Ltd. is a subsidiary of Hong Kong Securities Clearing Company Ltd.; China Merchants Steam Navigation Co., Ltd., Shenzhen Yan Qing Investment and Development Company Ltd., China Merchants Financial Holdings Co., Ltd. and Shenzhen Chu Yuan Investment and Development Company Ltd. are all subsidiaries of China Merchants Group Ltd.; China Ocean Shipping Company Limited and COSCO Shipping (Guangzhou) Co., Ltd. are both subsidiaries of China COSCO Shipping Corporation Limited. The Company is not aware of any affiliated relationships or action in concert among other shareholders.
- (3) The above shareholders of A shares had no proxy, trustee nor waiver of voting rights.
- (4) During the reporting period, the above holders of A Shares did not participate in the margin trading and short selling business. The number of outstanding A Shares of the Company lent out through securities lending by the above holders of A Shares at the beginning and the end of the reporting period was zero.

3.2 Information on the shareholders of preference shares

As at the end of the reporting period, the Company had a total of 22 holders of preference shares, all of whom were holders of domestic preference shares. During the period from January to March 2024, the Company did not restore any voting right of the preference shares. As at the end of the reporting period, the Company had no holder of preference shares with voting right restored.

As at the end of the reporting period, the shareholdings of the top 10 holders of domestic preference shares of the Company were as follows:

No.	Name of shareholders	Type of shareholders	Type of shares	Shares held at the end of the period (share)	Percentage of shareholdings (%)	Changes as compared to the end of last year (share)	Shares subject to restrictions on sales (share)	Shares pledged, marked or frozen (share)
1	China Mobile Communications Group Co., Ltd.	State-owned legal person	Domestic preference shares	106,000,000	38.55	-	-	-
2	Suyin Wealth Management Co., Ltd. - No. 1 Hengyuan Rongda (恒源融達) of Suyin Wealth Management	Others	Domestic preference shares	23,000,000	8.36	-	-	-
3	China National Tobacco (Henan Province) Company	State-owned legal person	Domestic preference shares	20,000,000	7.27	-	-	-
	Ping An Property & Casualty Insurance Company of China, Ltd. - Traditional - Ordinary insurance products	Others	Domestic preference shares	20,000,000	7.27	-	-	-
5	China National Tobacco (Anhui Province) Company	State-owned legal person	Domestic preference shares	15,000,000	5.45	-	-	-
	China National Tobacco (Sichuan Province) Company	State-owned legal person	Domestic preference shares	15,000,000	5.45	-	-	-
7	BOC Asset - Bank of China - Bank of China Limited, Shenzhen Branch	Others	Domestic preference shares	14,300,000	5.20	-1,600,000	-	-
8	Everbright Securities Asset Management - China Everbright Bank - Xinyou (鑫優) No. 2 Collective Asset Management Scheme of Everbright Securities Asset Management	Others	Domestic preference shares	9,000,000	3.27	-	-	-
9	CCB Trust Co., Ltd. - CCB Trust - Jianyue Changhong (建粵長虹) No. 1 single fund trust	Others	Domestic preference shares	8,570,000	3.12	8,570,000	-	-
10	BOCI Securities - Bank of China - BOCI Securities China Hong - Hui Zhong No. 32 Collective Asset Management Scheme	Others	Domestic preference shares	8,500,000	3.09	-100,000	-	-

Notes:

- (1) The shareholdings of holders of domestic preference shares are presented under separate account according to the register of members of preference shares of the Company.
- (2) China National Tobacco (Henan Province) Company, China National Tobacco (Anhui Province) Company and China National Tobacco (Sichuan Province) Company are all subsidiaries of China National Tobacco Corporation; "BOC Asset - Bank of China - Bank of China Limited, Shenzhen Branch" and "BOCI Securities - Bank of China - BOCI Securities China Hong - Hui Zhong No. 32 Collective Asset Management Scheme" are related parties. Save for the above, the Company is not aware of any affiliated relationship or action in concert among the above holders of preference shares or between the above holders of preference shares and the Company's top ten holders of ordinary shares.
- (3) "Percentage of shareholdings" represents the percentage of the number of domestic preference shares held by the holders of preference shares to the total number of domestic preference shares.

4 Management Discussion and Analysis

4.1 Analysis of overall operation

Taking “building a value creation bank” as its strategic objective and adhering to the philosophy of achieving dynamically balanced development of “Quality, Profitability and Scale”, CMB carried out various businesses in a sound manner during the reporting period, whereby the scale of assets and liabilities has grown steadily, and the asset quality has been generally stable.

From January to March 2024, the Group realised a net operating income of RMB86.420 billion, representing a year-on-year decrease of 4.64%; a net profit attributable to shareholders of the Bank of RMB38.077 billion, representing a year-on-year decrease of 1.96%; a net interest income of RMB52.000 billion, representing a year-on-year decrease of 6.15%; and a net non-interest income of RMB34.420 billion, representing a year-on-year decrease of 2.26%. The annualised return on average asset (ROAA) attributable to shareholders of the Bank and annualised return on average equity (ROAE) attributable to ordinary shareholders of the Bank was 1.35% and 16.08%, respectively, representing a year-on-year decrease of 0.15 percentage point and a year-on-year decrease of 2.35 percentage points, respectively.

As at the end of the reporting period, the Group’s total assets amounted to RMB11,520.226 billion, representing an increase of 4.46% as compared with the end of the previous year. The total loans and advances to customers amounted to RMB6,815.827 billion¹, representing an increase of 4.72% as compared with the end of the previous year. Total liabilities amounted to RMB10,394.735 billion, representing an increase of 4.55% as compared with the end of the previous year. Total deposits from customers amounted to RMB8,440.100 billion, representing an increase of 3.49% as compared with the end of the previous year.

As at the end of the reporting period, the Group’s non-performing loans amounted to RMB62.630 billion, representing an increase of RMB1.051 billion as compared with the end of the previous year. The non-performing loan ratio was 0.92%, down by 0.03 percentage point as compared with the end of the previous year. The allowance coverage ratio was 436.82%, representing a decrease of 0.88 percentage point as compared with the end of the previous year. The allowance-to-loan ratio was 4.01%, representing a decrease of 0.13 percentage point as compared with the end of the previous year.

¹ The amounts of deposits, loans and financial investments in the section headed “Management Discussion and Analysis” of this report exclude accrued interest.

4.2 Analysis of statement of profit or loss

Net interest income

From January to March 2024, the Group's net interest income amounted to RMB52.000 billion, representing a year-on-year decrease of 6.15% and accounting for 60.17% of net operating income.

From January to March 2024, the net interest spread and the net interest margin of the Group were 1.90% and 2.02% respectively, representing a respective year-on-year decrease of 28 and 27 basis points, and down by 3 basis points and 2 basis points, respectively, as compared with the previous quarter. Affected by the reduction of Loan Prime Rates (LPR) and interest rates on existing residential mortgage loans, coupled with insufficient effective credit demand, the yield on new businesses declined year-on-year, leading to a decrease in the yield on interest-earning assets, which was the primary factor driving down the net interest margin. Meanwhile, the Group has been optimising the structure of interest-earning assets and interest-bearing liabilities, which has partially offset the impact arising from the narrowed interest spread to some extent.

The Group <i>(in millions of RMB, except for percentages)</i>	January to March 2024			January to March 2023		
	Average balance	Interest income	Annualised average yield (%)	Average balance	Interest income	Annualised average yield (%)
Interest-earning assets						
Loans and advances to customers	6,573,689	66,509	4.07	6,183,215	67,279	4.41
Financial investments	2,650,857	20,894	3.17	2,421,339	19,529	3.27
Balances with the central bank	585,444	2,480	1.70	579,922	2,357	1.65
Balances and placements with banks and other financial institutions	552,893	4,252	3.09	616,065	4,179	2.75
Total	10,362,883	94,135	3.65	9,800,541	93,344	3.86
<i>(in millions of RMB, except for percentages)</i>						
	Average balance	Interest expense	Annualised average cost ratio (%)	Average balance	Interest expense	Annualised average cost ratio (%)
Interest-bearing liabilities						
Deposits from customers	8,222,348	33,387	1.63	7,735,110	30,288	1.59
Deposits and placements from banks and other financial institutions	968,826	5,447	2.26	975,123	4,731	1.97
Debt securities issued	220,262	1,746	3.19	244,707	1,853	3.07
Borrowings from the central bank	264,152	1,434	2.18	178,586	932	2.12
Lease liabilities	12,779	121	3.81	12,931	131	4.11
Total	9,688,367	42,135	1.75	9,146,457	37,935	1.68
Net interest income	/	52,000	/	/	55,409	/
Net interest spread	/	/	1.90	/	/	2.18
Net interest margin	/	/	2.02	/	/	2.29

Net non-interest income

From January to March 2024, the Group recorded a net non-interest income of RMB34.420 billion, representing a year-on-year decrease of 2.26% and accounting for 39.83% of net operating income. The year-on-year decrease in net non-interest income was mainly due to fee reduction of certain products and weak investment willingness of customers, which resulted in a decrease in fee and commission income. Among the net non-interest income, net fee and commission income amounted to RMB20.204 billion, representing a year-on-year decrease of 19.44%; other net non-interest income amounted to RMB14.216 billion, representing a year-on-year increase of 40.24%, which was mainly due to the increase in income from bonds investments and funds investments.

The major items under the Group's net fee and commission income are analysed as follows. **Fee and commission income from wealth management** amounted to RMB6.141 billion, representing a year-on-year decrease of 32.59%, of which, income from agency distribution of insurance policies amounted to RMB2.524 billion, representing a year-on-year decrease of 50.28%, mainly due to the downward adjustment of fee rates of agency distribution of insurance policies; income from agency distribution of wealth management products amounted to RMB1.700 billion, representing a year-on-year increase of 25.83%, mainly due to the year-on-year increase in the sales volume of wealth management products; income from agency distribution of funds amounted to RMB1.026 billion, representing a year-on-year decrease of 32.68%, mainly due to the reduction in fee rates of funds and the decrease in the holding scale and sales volume of equity funds; income from agency distribution of trust schemes amounted to RMB582 million, representing a year-on-year decrease of 32.48%, mainly due to the decrease in the scale of agency distribution of trust schemes; income from securities brokerage amounted to RMB232 million, representing a year-on-year increase of 7.91%. **Fee and commission income from asset management** amounted to RMB3.126 billion², representing a year-on-year decrease of 6.27%, mainly attributable to the decrease in management fee income from its subsidiaries CMB Wealth Management and China Merchants Fund. **Commission income from custody business** amounted to RMB1.216 billion, representing a year-on-year decrease of 15.79%, mainly due to the decrease in the custody scale and fee rates of equity funds. **Income from bank card fees** amounted to RMB4.420 billion, representing a year-on-year decrease of 15.79%, which was mainly due to the decrease in the fee income from offline transaction of credit cards. **Income from settlement and clearing fees** amounted to RMB4.029 billion, representing a year-on-year increase of 5.22%, which was primarily attributable to the increase in the income of e-payment.

² Fee and commission income from asset management mainly include the income from the issuance and management of various asset management products such as funds, wealth management and asset management plans of China Merchants Fund, CMB International Capital, CMB Wealth Management and CIGNA & CMAM, all being subsidiaries of the Company.

Operating expenses

From January to March 2024, the Group's operating expenses amounted to RMB26.965 billion, representing a year-on-year decrease of 1.31%, among which staff costs amounted to RMB17.471 billion, representing a year-on-year decrease of 0.69%, and other operating expenses amounted to RMB9.494 billion³, representing a year-on-year decrease of 2.43%. During the reporting period, the Group's cost-to-income ratio was 28.35%, representing a year-on-year increase of 0.76 percentage point. The Group continuously promoted cost reduction and profitability enhancement, refined the allocation of expense resources, and optimised expense structure. At the same time, the Group maintained the scale of its input in the development of Fintech, actively promoted the application of AI technologies, and advocated for green and low-carbon operations.

Expected credit losses

From January to March 2024, the Group's expected credit losses amounted to RMB14.267 billion, representing a year-on-year decrease of 13.12%, of which expected credit losses of loans and advances to customers amounted to RMB13.271 billion, representing a year-on-year decrease of RMB3.279 billion, which was mainly because the Group increased the placement of high-quality credit assets, thereby maintaining stable asset quality. The total expected credit losses of other types of business other than loans and advances to customers amounted to RMB996 million, representing a year-on-year increase of RMB1.125 billion, mainly due to the increase in the scale such as financial assets held under resale agreements, credit commitments, etc.

3 Other operating expenses include depreciation, amortisation, leases, taxes and surcharges and other various administrative expenses.

4.3 Analysis of balance sheet

Assets

As at the end of the reporting period, total assets of the Group amounted to RMB11,520.226 billion, representing an increase of 4.46% as compared with the end of the previous year, which was mainly attributable to the increase in loans and advances to customers and balances with the central bank of the Group, etc. As at the end of the reporting period, the Group's total loans and advances to customers amounted to RMB6,815.827 billion, representing an increase of 4.72% as compared with the end of the previous year; total loans and advances to customers accounted for 59.16% of the total assets, representing an increase of 0.14 percentage point as compared with the end of the previous year. In particular, the retail loans of the Group amounted to RMB3,500.248 billion, representing an increase of RMB62.365 billion or 1.81% as compared with the end of the previous year, mainly because the Group drove steady growth in retail loans by maintaining its intensity in granting micro-finance loans and consumer loans as adjustment and transformation continued in the real estate market. The corporate loans of the Group amounted to RMB2,791.882 billion, representing an increase of RMB192.027 billion or 7.39% compared to the end of the previous year, mainly because the Group continuously strengthened the organisation of high-quality corporate assets to effectively support the high-quality development of the real economy, and the financing demand of enterprises was relatively high in the first quarter, thereby driving the rapid growth in corporate loans. As at the end of the reporting period, the balance of the Group's financial investments amounted to RMB3,169.874 billion, representing an increase of 0.18% as compared with the end of the previous year.

Liabilities

As at the end of the reporting period, total liabilities of the Group amounted to RMB10,394.735 billion, representing an increase of 4.55% as compared with the end of the previous year, which was mainly attributable to the increase in deposits from customers. As at the end of the reporting period, the Group's total deposits from customers amounted to RMB8,440.100 billion, representing an increase of 3.49% as compared with the end of the previous year and accounting for 81.20% of total liabilities of the Group, and were the major funding source of the Group. Among the demand deposits, the corporate deposits accounted for 57.05% while the retail deposits accounted for 42.95%. Among the time deposits, the corporate deposits accounted for 55.50% while the retail deposits accounted for 44.50%. From January to March 2024, among the daily average balance of deposits from customers of the Group, demand deposits accounted for 52.13%, down by 4.95 percentage points as compared with the previous year, mainly due to the high demand from customers for investments in time deposit products as a result of the decline in the risk appetite of customers and insufficient allocation of the corporate fund to demand deposit, leading to a decrease in the proportion of demand deposits.

Owner's equity

As at the end of the reporting period, the Group's equity attributable to shareholders of the Bank was RMB1,118.965 billion, representing an increase of 3.96% as compared with the end of the previous year, among which retained earnings amounted to RMB606.361 billion, representing an increase of 6.68% as compared with the end of the previous year; investment revaluation reserve amounted to RMB17.370 billion, representing an increase of 27.20% as compared with the end of the previous year, mainly due to the increase in the valuation of bond investments measured at fair value through other comprehensive income; exchange reserve was RMB3.728 billion, representing an increase of 27.06% as compared with the end of the previous year, which was mainly due to fluctuations in RMB exchange rate.

4.4 Risk management and control for the real estate sector

During the reporting period, the Group followed the national policy guidance and regulatory requirements, and adhered to the overall strategy of “defining positioning, selecting promising regions, focusing on projects, and tightening management”. Under the premise of controllable risks, by seizing the structural opportunities, the Group managed to tap into high-quality regional markets and select high-quality businesses. It focused on the merits of projects, carrying out business with selected high-quality projects that can be covered by project cash flow, so as to support the stable and healthy development of the real estate market.

As at the end of the reporting period, the Group’s total balance of real estate related businesses which were subject to credit risks, such as the actual and contingent credit, proprietary bond investments, and proprietary investment of non-standardised assets amounted to RMB417.271 billion, representing an increase of 4.59% as compared with the end of the previous year. The Group’s total balance of businesses which were not subject to credit risks, such as wealth management fund financing, entrusted loans, agency distribution of trust schemes under the active management by cooperative institutions, and debt financing instruments with the Group as the lead underwriter amounted to RMB244.606 billion, representing a decrease of 1.94% as compared with the end of the previous year. As at the end of the reporting period, the Company’s balance of loans granted to the real estate industry was RMB310.942 billion, representing an increase of RMB20.200 billion as compared with the end of the previous year, accounting for 4.83% of the Company’s total loans and advances to customers, representing an increase of 0.12 percentage point as compared with the end of the previous year. As at the end of the reporting period, the customer structure and regional structure of the Company in respect of real estate related loans have remained stable in general, among which the balance of loans granted to customers featuring high credit-rating accounted for over 70%; in terms of regions where the projects were located, over 85% of the Company’s balance of loans for real estate development was located in the urban areas of first-tier and second-tier cities. As at the end of the reporting period, the Company’s non-performing loan ratio of real estate loans was 4.82%, representing a decrease of 0.19 percentage point as compared with the end of the previous year.

In the future, the Group will firmly implement the relevant national policies for the real estate sector, support the rigid and improving housing demands, fully cooperate in implementing the long-term mechanism for the real estate market, and meet the reasonable financing needs of real estate enterprises of different ownerships with fair and equal treatment. At the same time, the Group will continue to reasonably identify risks of project’s subsidiaries and the holding companies of the groups, further strengthen centralised risk control and post-investment and post-loan management, and firmly implement the requirements of close-loop management for real estate loans to effectively manage and control project risks. Based on the principles of legal compliance, controllable risks, and commercial sustainability, the Group will promote the market-oriented resolution of risks of real estate enterprises to maintain the overall stability of the quality of the real estate assets.

4.5 Analysis of loan quality

During the reporting period, adhering to the requirements of the new regulations on the classification of financial asset risks, the Group identified classification of asset risks in a strict manner to truly reflect the quality of assets. Although the Chinese economy rebounded and gained momentum, it still faced challenges such as insufficient effective demand and weak social expectations. Under this circumstance, the Group's special-mentioned and overdue loan indicators saw slight fluctuations, but remained within a controllable range overall. As at the end of the reporting period, the Group's non-performing loans amounted to RMB62.630 billion, representing an increase of RMB1.051 billion as compared with the end of the previous year, and non-performing loan ratio was 0.92%, representing a decrease of 0.03 percentage point as compared with the end of the previous year; special-mentioned loans amounted to RMB78.017 billion, representing an increase of RMB6.689 billion as compared with the end of the previous year, and the special-mentioned loan ratio was 1.14%, representing an increase of 0.04 percentage point as compared with the end of the previous year; overdue loans amounted to RMB89.300 billion, representing an increase of RMB7.317 billion as compared with the end of the previous year, and the overdue loan ratio was 1.31%, representing an increase of 0.05 percentage point as compared with the end of the previous year. As at the end of the reporting period, the ratio of the Group's non-performing loans to the loans overdue for more than 90 days was 1.27, and the ratio of the Company's non-performing loans to the loans overdue for more than 60 days was 1.13.

Distribution of the Company's loans and non-performing loans by industry

The Company <i>(in millions of RMB, except for percentages)</i>	31 March 2024				31 December 2023			
	Balance of loans and advances	Percentage of the total (%)	Balance of non- performing loans	Non- performing loan ratio (%) ⁽¹⁾	Balance of loans and advances	Percentage of the total (%)	Balance of non- performing loans	Non- performing loan ratio (%) ⁽¹⁾
Corporate loans	2,500,595	38.87	27,176	1.09	2,321,585	37.65	26,694	1.15
Transportation, storage and postal services	450,948	7.01	1,308	0.29	435,071	7.06	1,320	0.30
Property development	310,942	4.83	14,998	4.82	290,742	4.71	14,569	5.01
Manufacturing	601,373	9.35	2,813	0.47	555,102	9.00	3,008	0.54
Production and supply of electric power, heat, gas and water	236,129	3.67	408	0.17	220,797	3.58	425	0.19
Leasing and commercial services	173,999	2.70	1,475	0.85	165,793	2.69	1,445	0.87
Wholesale and retail	211,466	3.29	1,403	0.66	193,801	3.14	1,326	0.68
Finance	107,700	1.67	87	0.08	101,588	1.65	87	0.09
Construction	134,728	2.09	802	0.60	109,227	1.77	333	0.30
Information transmission, software and IT service	109,817	1.71	547	0.50	93,609	1.52	545	0.58
Water conservancy, environment and public utilities	35,121	0.55	77	0.22	34,680	0.56	77	0.22
Mining	46,979	0.73	565	1.20	45,052	0.73	567	1.26
Others ⁽²⁾	81,393	1.27	2,693	3.31	76,123	1.24	2,992	3.93
Discounted bills	498,661	7.75	–	–	471,127	7.64	–	–
Retail loans	3,434,227	53.38	31,112	0.91	3,373,633	54.71	30,539	0.91
Total loans and advances to customers	6,433,483	100.00	58,288	0.91	6,166,345	100.00	57,233	0.93

Notes:

- (1) Represents the percentage of the non-performing loans in a certain category to the total loans of that category.
- (2) Consists primarily of scientific research and technological service industries, sanitation and social work industries, culture, sports and entertainment industries, agriculture, forestry, animal husbandry and fishery industries and other industries.

Asset quality of the Company's loans and advances by product type

The Company <i>(in millions of RMB, except for percentages)</i>	31 March 2024						
	Balance of loans and advances	Balance of non-performing loans	Non-performing loan ratio (%)	Balance of special-mentioned loans	Special-mentioned loan ratio (%)	Balance of overdue loans	Overdue loan ratio (%)
Corporate loans	2,500,595	27,176	1.09	20,141	0.81	26,285	1.05
Discounted bills	498,661	–	–	61	0.01	–	–
Retail loans	3,434,227	31,112	0.91	51,458	1.50	51,856	1.51
Micro-finance loans	792,500	4,772	0.60	2,883	0.36	5,589	0.71
Residential mortgage loans	1,361,952	5,212	0.38	14,381	1.06	8,159	0.60
Credit card loans	916,623	16,345	1.78	32,313	3.53	32,384	3.53
Consumer loans	354,448	3,655	1.03	1,834	0.52	4,598	1.30
Others ^(Note)	8,704	1,128	12.96	47	0.54	1,126	12.94
Total loans and advances to customers	6,433,483	58,288	0.91	71,660	1.11	78,141	1.21

The Company <i>(in millions of RMB, except for percentages)</i>	31 December 2023						
	Balance of loans and advances	Balance of non-performing loans	Non-performing loan ratio (%)	Balance of special-mentioned loans	Special-mentioned loan ratio (%)	Balance of overdue loans	Overdue loan ratio (%)
Corporate loans	2,321,585	26,694	1.15	18,071	0.78	25,862	1.11
Discounted bills	471,127	–	–	12	–	–	–
Retail loans	3,373,633	30,539	0.91	48,739	1.44	47,706	1.41
Micro-finance loans	749,773	4,592	0.61	2,648	0.35	5,211	0.70
Residential mortgage loans	1,376,814	5,113	0.37	13,107	0.95	7,466	0.54
Credit card loans	935,777	16,381	1.75	31,373	3.35	29,905	3.20
Consumer loans	301,538	3,285	1.09	1,539	0.51	3,946	1.31
Others ^(Note)	9,731	1,168	12.00	72	0.74	1,178	12.11
Total loans and advances to customers	6,166,345	57,233	0.93	66,822	1.08	73,568	1.19

Note: Others consist primarily of commercial housing loans, automobile loans, house decoration loans, education loans and other personal loans secured by monetary assets.

From January to March 2024, the asset quality of retail loans of the Company remained relatively stable. As at the end of the reporting period, the balance of non-performing retail loans amounted to RMB31.112 billion, representing an increase of RMB573 million as compared with the end of the previous year, and the non-performing loan ratio was 0.91%, flat with the end of the previous year; the balance of special-mentioned loans amounted to RMB51.458 billion, representing an increase of RMB2.719 billion as compared with the end of the previous year, and the special-mentioned loan ratio was 1.50%, up by 0.06 percentage point as compared with the end of the previous year; and the balance of overdue loans amounted to RMB51.856 billion, representing an increase of RMB4.150 billion as compared with the end of the previous year, and the overdue loan ratio was 1.51%, up by 0.10 percentage point as compared with the end of the previous year.

During the reporting period, the amount of residential mortgage loans newly granted by the Company in the first-tier and second-tier cities accounted for 90.85% of the total amount of residential mortgage loans newly granted by the Company, representing an increase of 2.72 percentage points year-on-year. As at the end of the reporting period, the Company's balance of residential mortgage loans in the first-tier and second-tier cities accounted for 87.14% of the balance of residential mortgage loans of the Company, representing an increase of 0.10 percentage point as compared with the end of the previous year. Meanwhile, the Company had always been insisted on regularly monitoring and revaluating the value of the existing collaterals and adjusting the value of mortgaged assets in a timely manner. As of the end of the reporting period, the weighted average loan-to-value ratio of residential mortgage loans was 32.80%, representing a decrease of 0.13 percentage point as compared with the end of the previous year, and the collaterals were sufficient and stable. Therefore, the overall risk of residential mortgage loans was controllable.

The formation and disposal of non-performing loans of the Company

During the reporting period, the Company recorded newly formed non-performing loans of RMB16.265 billion, representing a year-on-year increase of RMB242 million, with a non-performing loans formation ratio (annualised) of 1.03%, down by 0.06 percentage point year-on-year. Among them, the amount of newly formed non-performing corporate loans was RMB3.084 billion, representing a slight increase of RMB14 million year-on-year; the amount of newly formed non-performing retail loans (excluding credit cards) was RMB3.209 billion, representing an increase of RMB742 million year-on-year; and the amount of newly formed non-performing loans of credit cards was RMB9.972 billion, representing a decrease of RMB514 million year-on-year.

The Company continued to dispose of non-performing assets actively. During the reporting period, the Company disposed of non-performing loans amounting to RMB15.288 billion, of which RMB7.072 billion was written off; RMB2.125 billion was recovered by collection; RMB4.870 billion was securitised; and RMB1.221 billion was disposed of by repossession, transfer, upward migration after restructuring, remission and other means.

The allowances for loan losses of the Company

In accordance with the Financial Instruments Standards, the Company made adequate allowances for impairment losses on loans by using the expected credit loss model and the risk quantification parameters such as the probability of customer defaults and the loss given defaults, after taking into consideration the adjustments in macro perceptiveness, and based on the changes in loan structure and actual risks, so as to ensure adequate credit risk compensation. As at the end of the reporting period, the balance of allowances for impairment losses on loans of the Company amounted to RMB264.762 billion, representing an increase of RMB3.360 billion as compared with the end of the previous year; the allowance coverage ratio of the Company was 454.23%, representing a decrease of 2.50 percentage points as compared with the end of the previous year; the allowance-to-loan ratio of the Company was 4.12%, representing a decrease of 0.12 percentage point as compared with the end of the previous year. Credit cost ratio (annualised) of the Company was 0.80%, up by 0.08 percentage point as compared with the previous year.

Outlook of asset quality and countermeasures

Since the beginning of the year, the external environment has become increasingly complex and challenging. Global economic growth remained sluggish, high inflation showed signs of falling back but still lingered, and interest rates in developed economies stayed elevated. China's economy continued its upward trend with solid progress in high-quality development, but still faced challenges such as insufficient effective demand and weak social expectations. The Company will closely monitor changes in the macro-economic landscape, proactively make response, continuously enhance mechanism, and constantly fortify the "Six All" comprehensive risk management system. The Company will continue to focus on key risk areas, strengthen closed-loop management of real estate business, and conduct risk screening targeting key industries and customer base. Focusing on the strategy of "dynamic rebalancing" of industries, regions and customer bases, the Company will enhance research on key industries through industry self-organisation, improve professional capabilities, enhance policy adaptability, promote the implementation of the "one branch, one policy" principle of list-based customer management system in asset business, and optimise asset portfolio. The Company will enhance its efforts in disposal of non-performing assets, focus on key risk items, implement different measures based on different categories, expand the channels for disposal of non-performing assets, and improve the quality and efficiency of collection and disposal. The Company will strengthen the management of special-mentioned loans and overdue loans, make adequate allowances, and effectively prevent and mitigate potential risks, so as to maintain the overall stability on asset quality.

4.6 Capital adequacy ratios

The Group continued to optimise its business structure and enhance capital management. In accordance with various capital requirements of the China banking regulatory authorities as well as the supplementary capital and leverage ratio requirements under the “Ancillary Regulatory Provision for Systematically Important Banks (Trial)” 《(系統重要性銀行附加監管規定(試行))》, the capital adequacy ratio, Tier 1 capital adequacy ratio and core Tier 1 capital adequacy ratio of the Group and the Company shall not be less than 11.25%, 9.25% and 8.25%, respectively, and the leverage ratio shall not be less than 4.375%. As of the end of the reporting period, the Group and the Company have been meeting the various capital and leverage ratio regulatory requirements.

Capital adequacy ratios under the Advanced Measurement Approach

As at the end of the reporting period, the core Tier 1 capital adequacy ratio, the Tier 1 capital adequacy ratio and the capital adequacy ratio of the Group under the Advanced Measurement Approach were 14.07%, 16.30% and 18.20%, respectively.

The Group <i>(in millions of RMB, except for percentages)</i>	31 March 2024	31 December 2023	Increase/decrease at the end of the reporting period as compared to the end of last year (%)
The capital adequacy ratios under the Advanced Measurement Approach⁽¹⁾			
Net core Tier 1 capital	948,069	907,308	4.49
Net Tier 1 capital	1,098,515	1,057,754	3.85
Net capital	1,226,629	1,181,487	3.82
Core Tier 1 capital adequacy ratio	14.07%	13.73%	Increase of 0.34 percentage point
Tier 1 capital adequacy ratio	16.30%	16.01%	Increase of 0.29 percentage point
Capital adequacy ratio	18.20%	17.88%	Increase of 0.32 percentage point
Information on leverage ratio⁽²⁾			
Balance of on- and off-balance sheet assets after adjustment	13,549,939	12,806,260	5.81
Leverage ratio	8.11%	8.26%	Decrease of 0.15 percentage point

Notes:

- (1) The “Advanced Measurement Approach” refers to the “Internal Ratings-Based (IRB) Approach for Credit Risk”, “the Standardised Approach for Market Risk” and “the Standardised Approach for Operational Risk” set out in the “Capital Rules for Commercial Banks” issued by the National Financial Regulatory Administration on 1 November 2023 (same as below). In accordance with the provisions of the “Capital Rules for Commercial Banks”, the scope of entities for calculating the capital adequacy ratios of the Group shall include China Merchants Bank and its subsidiaries. The scope of entities for calculating the capital adequacy ratios of the Company shall include all the domestic and overseas branches and sub-branches of China Merchants Bank. As at the end of the reporting period, the Group’s subsidiaries for calculating its capital adequacy ratios included CMB Wing Lung Bank, CMB International Capital, CMB Financial Leasing, CMB Wealth Management, China Merchants Fund, CIGNA & CMAM and CMB Europe S.A.. A commercial bank shall use both the advanced capital measurement approach and other approach to calculate capital adequacy ratios in parallel, and comply with the capital floor requirements.
- (2) Since 2024, the leverage ratio shall be calculated based on the “Capital Rules for Commercial Banks” issued by the National Financial Regulatory Administration on 1 November 2023. The leverage ratios of the Group were 8.26%, 7.93% and 7.70% respectively as at the end of 2023, the end of the third quarter and the end of the second quarter of 2023.
- (3) As the “Capital Rules for Commercial Banks” came into effect on 1 January 2024, the data as of 31 March 2024 in the above table was calculated in accordance with the provisions of the “Capital Rules for Commercial Banks”, while the data as of 31 December 2023 was still calculated in accordance with the provisions of the “Capital Rules for Commercial Banks (Provisional)” issued by the former CBRC on 7 June 2012 (same as below).

As at the end of the reporting period, the core Tier 1 capital adequacy ratio, the Tier 1 capital adequacy ratio and the capital adequacy ratio of the Company under the Advanced Measurement Approach were 14.11%, 16.47% and 18.47%, respectively. The Company’s risk-adjusted return on capital (RAROC, before tax) under the Advanced Measurement Approach was 26.47%, continuing to maintain at a high level.

The Company <i>(in millions of RMB, except for percentages)</i>	31 March 2024	31 December 2023	Increase/decrease at the end of the reporting period as compared to the end of last year (%)
The capital adequacy ratios under the Advanced Measurement Approach			
Net core Tier 1 capital	845,146	801,565	5.44
Net Tier 1 capital	986,494	944,349	4.46
Net capital	1,106,369	1,059,697	4.40
Core Tier 1 capital adequacy ratio	14.11%	13.32%	Increase of 0.79 percentage point
Tier 1 capital adequacy ratio	16.47%	15.70%	Increase of 0.77 percentage point
Capital adequacy ratio	18.47%	17.62%	Increase of 0.85 percentage point

Capital adequacy ratios under the Weighted Approach

As at the end of the reporting period, the core Tier 1 capital adequacy ratio, the Tier 1 capital adequacy ratio and the capital adequacy ratio of the Group under the Weighted Approach were 12.01%, 13.92% and 15.01%, respectively.

The Group	31 March 2024	31 December 2023	Increase/decrease at the end of the reporting period as compared to the end of last year (%)
The capital adequacy ratios under the Weighted Approach^(Note)			
Core Tier 1 capital adequacy ratio	12.01%	11.86%	Increase of 0.15 percentage point
Tier 1 capital adequacy ratio	13.92%	13.82%	Increase of 0.10 percentage point
Capital adequacy ratio	15.01%	14.96%	Increase of 0.05 percentage point

Note: The "Weighted Approach" refers to the Weighted Approach for credit risk, the Standardised Approach for market risk and the Standardised Approach for operational risk in accordance with the relevant provisions of the "Capital Rules for Commercial Banks" issued by the National Financial Regulatory Administration on 1 November 2023 (same as below).

As at the end of the reporting period, the core Tier 1 capital adequacy ratio, the Tier 1 capital adequacy ratio and the capital adequacy ratio of the Company under the Weighted Approach were 11.82%, 13.80% and 14.89%, respectively.

The Company	31 March 2024	31 December 2023	Increase/decrease at the end of the reporting period as compared to the end of last year (%)
The capital adequacy ratios under the Weighted Approach			
Core Tier 1 capital adequacy ratio	11.82%	11.38%	Increase of 0.44 percentage point
Tier 1 capital adequacy ratio	13.80%	13.40%	Increase of 0.40 percentage point
Capital adequacy ratio	14.89%	14.52%	Increase of 0.37 percentage point

4.7 Other significant business metrics

As at the end of the reporting period, the Company had 199 million retail customers (including debit and credit card customers), representing an increase of 1.02% as compared with the end of the previous year. The balance of total assets under management (AUM) from retail customers amounted to RMB13,857.187 billion, representing an increase of RMB536.056 billion or 4.02% as compared with the end of the previous year.

As at the end of the reporting period, the number of customers in the level of Golden Sunflower and above of the Company (being retail customers of the Company with minimum daily average total assets of RMB500,000 for each month) reached 4,869,100, representing an increase of 4.92% as compared with the end of the previous year. Among which, the number of private banking customers (being retail customers of the Company with minimum daily average total assets of RMB10 million for each month) was 153,167, representing an increase of 2.91% as compared with the end of the previous year. The Company's balance of AUM from the customers in the level of Golden Sunflower and above amounted to RMB11,243.057 billion, representing an increase of 3.91% as compared with the end of the previous year.

As at the end of the reporting period, the total scale of asset management business of CMB Wealth Management, China Merchants Fund, CIGNA & CMAM and CMB International Capital, all being subsidiaries of the Company, amounted to RMB4.36 trillion⁴, representing a decrease of 2.68% as compared with the end of the previous year, among which the balance of wealth management products under management by CMB Wealth Management amounted to RMB2.40 trillion, representing a decrease of 5.88% as compared with the end of the previous year; the scale of asset management business of China Merchants Fund amounted to RMB1.54 trillion, representing a decrease of 0.65% as compared with the end of the previous year; the scale of asset management business of CIGNA & CMAM amounted to RMB308.071 billion, representing an increase of 15.13% as compared with the end of the previous year; the scale of asset management business of CMB International Capital amounted to RMB115.115 billion, representing an increase of 1.45% as compared with the end of the previous year.

⁴ The scale of asset management business of China Merchants Fund and CMB International Capital both included the data of their respective subsidiaries.

5 Financial Statements

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(Expressed in millions of RMB unless otherwise stated)

	January to March 2024	January to March 2023
Interest income	94,135	93,344
Interest expense	(42,135)	(37,935)
Net interest income	52,000	55,409
Fee and commission income	22,296	27,317
Fee and commission expense	(2,092)	(2,238)
Net fee and commission income	20,204	25,079
Other net income	13,470	9,344
Operating income	85,674	89,832
Operating expenses	(26,965)	(27,323)
Operating profit before impairment losses	58,709	62,509
Expected credit losses	(14,267)	(16,421)
Share of profits of joint ventures	371	529
Share of profits of associates	375	264
Profit before taxation	45,188	46,881
Income tax	(6,746)	(7,655)
Profit for the period	38,442	39,226
Attributable to:		
Equity holders of the Bank	38,077	38,839
Non-controlling interests	365	387
Earnings per share		
Basic and diluted (RMB Yuan)	1.51	1.54

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

(Expressed in millions of RMB unless otherwise stated)

	January to March 2024	January to March 2023
Profit for the period	38,442	39,226
Other comprehensive income after tax		
Items that may be reclassified subsequently to profit or loss:		
Net fair value gain/(loss) on financial assets measured at fair value through other comprehensive income	2,867	(1,473)
Net changes in expected credit losses of financial assets measured at fair value through other comprehensive income	(403)	(1,626)
Net movement in cash flow hedge reserve	(12)	(36)
Share of other comprehensive income/(expense) from equity-accounted investees	636	466
Exchange difference on translation of financial statements of foreign operations	822	(935)
Items that will not be reclassified subsequently to profit or loss:		
Net fair value gain on equity instruments designated at fair value through other comprehensive income	650	277
Other comprehensive income for the period, net of tax	4,560	(3,327)
Attributable to:		
Equity holders of the Bank	4,518	(3,255)
Non-controlling interests	42	(72)
Total comprehensive income for the period	43,002	35,899
Attributable to:		
Equity holders of the Bank	42,595	35,584
Non-controlling interests	407	315

This financial statement was approved by the Board of Directors on 29 April 2024.

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in millions of RMB unless otherwise stated)

Item	31 March 2024	31 December 2023
Assets		
Cash	16,129	14,931
Precious metals	2,209	2,321
Balances with central bank	797,211	667,871
Balances with banks and other financial institutions	92,427	100,769
Placements with banks and other financial institutions	294,182	287,694
Amounts held under resale agreements	224,494	172,246
Loans and advances to customers	6,555,072	6,252,755
Financial investments at fair value through profit or loss	524,686	526,145
Derivative financial assets	19,463	18,733
Debt investments at amortised cost	1,739,594	1,749,024
Debt investments at fair value through other comprehensive income	916,465	899,102
Equity investments designated at fair value through other comprehensive income	20,117	19,649
Interests in joint ventures	16,649	15,707
Interests in associates	11,574	10,883
Investment properties	1,139	1,160
Property and equipment	119,210	115,348
Right-of-use assets	17,215	17,041
Intangible assets	2,535	2,709
Goodwill	9,954	9,954
Deferred tax assets	89,978	90,557
Other assets	49,923	53,884
Total assets	11,520,226	11,028,483

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(Expressed in millions of RMB unless otherwise stated)

Item	31 March 2024	31 December 2023
Liabilities		
Borrowing from central bank	254,270	378,621
Deposits from banks and other financial institutions	561,995	508,378
Placements from banks and other financial institutions	277,693	247,299
Financial liabilities at fair value through profit or loss	48,765	43,958
Derivative financial liabilities	17,413	17,443
Amounts sold under repurchase agreements	162,679	135,078
Deposits from customers	8,533,902	8,240,498
Salaries and welfare payable	28,346	28,679
Tax payable	16,308	13,597
Contract liabilities	5,251	5,486
Lease liabilities	12,907	12,675
Provisions	21,142	19,662
Debt securities issued	311,560	176,578
Deferred tax liabilities	1,638	1,607
Other liabilities	140,866	113,195
Total liabilities	10,394,735	9,942,754
Equity		
Share capital	25,220	25,220
Other equity instruments	150,446	150,446
Including: Preference shares	27,468	27,468
Perpetual bonds	122,978	122,978
Capital reserve	65,432	65,432
Investment revaluation reserve	17,370	13,656
Hedging reserve	80	92
Surplus reserve	108,737	108,737
General reserve	141,591	141,481
Retained profits	556,627	518,638
Proposed profit appropriation	49,734	49,734
Exchange reserve	3,728	2,934
Total equity attributable to shareholders of the Bank	1,118,965	1,076,370
Non-controlling interests	6,526	9,359
Including: Non-controlling interest	6,526	6,521
Perpetual debt capital	–	2,838
Total equity	1,125,491	1,085,729
Total liabilities and equity	11,520,226	11,028,483

This financial statement was approved by the Board of Directors on 29 April 2024.

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

(Expressed in millions of RMB unless otherwise stated)

	January to March 2024	January to March 2023
Operating activities		
Profit before taxation	45,188	46,881
Adjustments for:		
– Impairment losses on loans and advances	13,271	16,550
– Impairment losses on investments and others	996	(129)
– Unwinding of discount on the allowances of loans and advances	(58)	(53)
– Depreciation of property and equipment and investment properties	2,606	2,446
– Depreciation of right-of-use assets	1,005	1,026
– Amortisation of other assets	241	290
– Net gain on investments in debt securities and equity instruments	(4,239)	(2,460)
– Interest income on investments	(20,894)	(19,529)
– Interest expense on issued debt securities	1,746	1,853
– Share of profits of associates	(375)	(264)
– Share of profits of joint ventures	(371)	(529)
– Net gains on disposal of property and equipment and other assets	(62)	(82)
– Interest expense on lease liabilities	121	131
Changes in:		
Balances with central bank	43,295	11,021
Loans and advances to customers	(321,655)	(267,788)
Other assets	(7,890)	(53,704)
Deposits from customers	284,662	236,136
Deposits and placements from banks and other financial institutions	111,757	(13,512)
Balances and placements with banks and other financial institutions with original maturity over 3 months	(55,048)	(26,497)
Borrowings from central bank	(124,203)	65,216
Other liabilities	33,384	(4,735)
Net cash generated from operating activities before income tax payment	3,477	(7,732)
Income tax paid	(4,685)	(4,886)
Net cash generated from operating activities	(1,208)	(12,618)

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

(Expressed in millions of RMB unless otherwise stated)

	January to March 2024	January to March 2023
Investing activities		
Payment for the purchase of investments	(533,044)	(449,172)
Proceeds from the disposal of investments	512,737	340,191
Investment gains received from investments	27,274	25,584
Payment for the purchases of property and equipment and other assets	(10,971)	(9,313)
Proceeds from the disposal of properties and equipment and other assets	5,123	835
Net cash flows used in investing activities	1,119	(91,875)
Financing activities		
Proceeds from the issue of negotiable interbank certificates of deposits	142,353	49,322
Proceeds from the issue of certificates of deposits and others	12,471	9,859
Proceeds from the issue of debt securities	18,213	31,127
Proceeds from other financing activities	2,095	5,350
Repayment of negotiable interbank certificates of deposits	(4,350)	(22,210)
Repayment of certificates of deposit and others	(9,528)	(8,124)
Repayment of debt securities	(25,431)	(19,189)
Payment on lease liabilities	(1,117)	(1,127)
Payment on redemption of perpetual debt capital	(2,863)	–
Distribution paid on perpetual debt capital	(93)	(90)
Interest paid on financing activities	(1,796)	(974)
Net cash generated from financing activities	129,954	43,944
Increase/(decrease) in cash and cash equivalents	129,865	(60,549)
Cash and cash equivalents as of 1 January	599,019	567,198
Effects of foreign exchange rate changes on cash and cash equivalents	195	(1,709)
Cash and cash equivalents as of 31 March	729,079	504,940
Cash flows from operating activities include:		
Interest received	72,745	73,496
Interest paid	31,940	29,794

This financial statement was approved by the Board of Directors on 29 April 2024.

6 Information on Liquidity Coverage Ratio

The Group prepared and disclosed information on liquidity coverage ratio in accordance with the “Measures for the Disclosure of Information on Liquidity Coverage Ratio by Commercial Banks”. The basis used herein may differ from those adopted in Hong Kong or other regions. The average liquidity coverage ratio of the Group was 160.96% in the first quarter of 2024, representing an increase of 1.14 percentage points as compared with the previous quarter, mainly due to the increase in the scale of high-quality assets. The Group’s liquidity coverage ratio at the end of the first quarter of 2024 was 160.15%, which was in compliance with the regulatory requirements. The breakdown of the Group’s average value of each item of liquidity coverage ratio in the first quarter of 2024 is set out below.

(Unit: in millions of RMB, except for percentages)

No.		Unweighted amount	Weighted amount
Stock of high-quality liquid assets			
1	Total stock of high-quality liquid assets	/	2,059,124
Cash outflows			
2	Retail and small business customers deposits, of which:	3,947,616	349,486
3	Stable deposits	905,484	45,273
4	Less stable deposits	3,042,132	304,213
5	Unsecured wholesale funding, of which:	4,300,310	1,463,436
6	Operational deposits (excluding correspondent banks)	2,421,398	597,774
7	Non-operational deposits (including all counterparties)	1,864,404	851,154
8	Unsecured debt issuance	14,508	14,508
9	Secured funding	/	9,834
10	Additional requirements, of which:	2,107,021	458,916
11	Cash outflows arising from derivative contracts and other transactions arising from related collateral requirements	351,408	351,408
12	Cash outflows arising from secured debt instruments funding	95	95
13	Undrawn committed credit and liquidity facilities	1,755,518	107,413
14	Other contractual obligations to extend funds	113,108	113,108
15	Other contingent funding obligations	3,769,541	110,148
16	Total cash outflows	/	2,504,928
Cash inflows			
17	Secured lending (including reverse repo and securities borrowing)	155,367	154,221
18	Contractual inflows from fully performing loans	1,094,133	717,553
19	Other cash inflows	349,210	348,718
20	Total cash inflows	1,598,710	1,220,492
			Adjusted value
21	Total stock of high-quality liquid assets		2,052,110
22	Net cash outflows		1,284,435
23	Liquidity coverage ratio		160.96%

Notes:

- (1) Data in the above table is a simple arithmetic average of the 91-day value in the latest quarter.
- (2) The high-quality liquid assets in the above table comprise cash, central bank reserve available under pressure conditions, as well as the bonds in line with the definition of Tier 1 and Tier 2 assets set out in the "Measures for the Liquidity Risk Management of Commercial Banks".

The Board of Directors of China Merchants Bank Co., Ltd.

29 April 2024

As at the date of this announcement, the executive directors of the Company are Wang Liang and Zhu Jiangtao; the non-executive directors of the Company are Miao Jianmin, Sun Yunfei, Zhou Song, Zhang Jian and Chen Dong; and the independent non-executive directors of the Company are Wong See Hong, Li Menggang, Liu Qiao, Tian Hongqi, Li Chaoxian and Shi Yongdong.

REGISTERED OFFICE OF THE ISSUER

SG Issuer
15, avenue Emile Reuter
L-2420 Luxembourg
Luxembourg

REGISTERED OFFICE OF THE GUARANTOR

Société Générale
29, boulevard Haussmann
75009 Paris
France

ISSUER'S AUDITORS

**DELOITTE AUDIT,
société à responsabilité limitée**
560 rue de Neudorf
L-2220, Luxembourg
Luxembourg

GUARANTOR'S AUDITORS

KPMG S.A
Tour Eqho - 2
avenue Gambetta
92400 Courbevoie
France

**PriceWaterhouseCoopers
Audit**
63 rue de Villiers
92200 Neuilly-sur-Seine
France

WARRANT AGENT

THE CENTRAL DEPOSITORY (PTE) LIMITED

4 Shenton Way
#02-01 SGX Centre 2
Singapore 068807

LEGAL ADVISERS TO THE ISSUER

(as to Singapore law)

ALLEN & GLEDHILL LLP
One Marina Boulevard #28-00
Singapore 018989