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This document, for which we accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Rules**”) for the purpose of giving information with regard to us. We, having made all reasonable enquiries, confirm that to the best of our knowledge and belief the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

This document is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the CBBCs.

**The CBBCs are complex products. You should exercise caution in relation to them. Investors are warned that the price of the CBBCs may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. Prospective purchasers should therefore ensure that they understand the nature of the CBBCs and carefully study the risk factors set out in the Base Listing Document (as defined below) and this document and, where necessary, seek professional advice, before they invest in the CBBCs.**

The CBBCs constitute general unsecured contractual obligations of us as the Issuer and of no other person and will rank equally among themselves and with all our other unsecured obligations (save for those obligations preferred by law) upon liquidation. If you purchase the CBBCs, you are relying upon our creditworthiness, and have no rights under the CBBCs against any company constituting the underlying index or the Index Compiler or any other person. If we become insolvent or default on our obligations under the CBBCs, you may not be able to recover all or even part of the amount due under the CBBCs (if any).

## **Non-collateralised Structured Products**

### **Launch Announcement**

**and**

### **Supplemental Listing Document for Callable Bull/Bear Contracts over Index**



## **The Hongkong and Shanghai Banking Corporation Limited**

*(incorporated in Hong Kong with limited liability under the Companies Ordinance of Hong Kong)*

## Key Terms

CBBCs Stock code	61089	61092	61093	61094	61095
Liquidity Provider Broker ID	9765	9731	9775	9774	9731
Issue size	200,000,000 CBBCs	200,000,000 CBBCs	200,000,000 CBBCs	200,000,000 CBBCs	200,000,000 CBBCs
Style / Category	European style cash settled category R	European style cash settled category R	European style cash settled category R	European style cash settled category R	European style cash settled category R
Type	Bear	Bear	Bear	Bear	Bull
Index	Hang Seng Index	Hang Seng Index	Hang Seng Index	Hang Seng Index	Hang Seng Index
Board Lot	10,000 CBBCs	10,000 CBBCs	10,000 CBBCs	10,000 CBBCs	10,000 CBBCs
Issue Price per CBBC	HK\$0.25	HK\$0.25	HK\$0.25	HK\$0.25	HK\$0.25
Funding Cost per CBBC as of Launch Date <sup>1</sup>	HK\$0.194	HK\$0.208	HK\$0.224	HK\$0.238	HK\$0.205
Strike Level	24,030.00	23,888.00	23,730.00	23,584.00	23,300.00
Call Level	23,930.00	23,788.00	23,630.00	23,484.00	23,400.00
Cash Settlement Amount per Board Lot (if any) payable at expiry	Subject to no occurrence of a Mandatory Call Event: For a series of bull CBBCs: $\frac{(\text{Closing Level} - \text{Strike Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$ For a series of bear CBBCs: $\frac{(\text{Strike Level} - \text{Closing Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$				
Closing Level (for all series)	The final settlement price for settling the Hang Seng Index Futures Contracts that are scheduled to expire during the month in which the Expiry Date of the relevant series of the CBBCs is scheduled to fall (the "Index Futures Contracts") <sup>2</sup>				
Index Exchange (for all series)	The Stock Exchange of Hong Kong Limited				
Index Currency Amount	HK\$1.00	HK\$1.00	HK\$1.00	HK\$1.00	HK\$1.00
Divisor	10,000	10,000	10,000	10,000	10,000
Launch Date (for all series)	27 March 2025				
Issue Date (for all series)	31 March 2025				
Listing Date <sup>3</sup> (for all series)	1 April 2025				
Observation Commencement Date <sup>3</sup> (for all series)	1 April 2025				
Valuation Date <sup>4</sup>	29 November 2027	28 October 2027	29 November 2027	30 December 2027	30 August 2027
Expiry Date <sup>4</sup>	29 November 2027	28 October 2027	29 November 2027	30 December 2027	30 August 2027
Settlement Date (for all series)	The third CCASS Settlement Day after (i) the end of the MCE Valuation Period or (ii) the later of: (a) the Expiry Date; and (b) the day on which the Closing Level is determined in accordance with the Conditions (as the case may be)				
Settlement Currency	Hong Kong dollars	Hong Kong dollars	Hong Kong dollars	Hong Kong dollars	Hong Kong dollars
Effective Gearing <sup>5</sup>	9.39x	9.39x	9.39x	9.39x	9.49x
Gearing <sup>5</sup>	9.39x	9.39x	9.39x	9.39x	9.49x
Premium <sup>5</sup>	8.32%	8.92%	9.60%	10.22%	8.73%

<sup>1</sup> The funding cost is calculated in accordance with the following formula:

$$\text{Funding Cost} = \frac{\text{Strike Level} \times \text{funding rate} \times n / 365 \times \text{Index Currency Amount}}{\text{Divisor}}$$

Where,

- (i) "n" is the number of days remaining to expiration; initially, "n" is the number of days from (and including) the Launch Date to (and including) the trading day immediately preceding the Expiry Date; and
- (ii) the funding rate will fluctuate throughout the term of the CBBCs as further described in the "Key Risk Factors" section in this document. As of the Launch Date, the funding rate was 3.04% p.a. (for stock code 61089), 3.39% p.a. (for stock code 61092), 3.55% p.a. (for stock code 61093), 3.68% p.a. (for stock code 61094) and 3.66% p.a. (for stock code 61095).

<sup>2</sup> Determined pursuant to Regulation 012 of the Regulations for Trading Stock Index Futures Contracts and the Contract Specifications for Hang Seng Index Futures (as amended from time to time) of the Hong Kong Futures Exchange Limited (or its successor or assign), subject to our right to determine the Closing Level in good faith on the Valuation Date upon the occurrence of a Market Disruption Event as described further in Condition 4(d).

<sup>3</sup> During the period between the Launch Date and the scheduled Listing Date (both dates exclusive), if any severe weather occurs on any Business Day which either results in the Stock Exchange (i) being closed for trading for the entire day; or (ii) being closed prior to its regular time for close of trading for the relevant day, the Listing Date will be postponed (without any further notice or announcement) such that there is a period of two Business Days not affected by the aforementioned event(s) between the Launch Date and the postponed Listing Date (both dates exclusive). In such case, the Observation Commencement Date will also be postponed to the postponed Listing Date.

<sup>4</sup> If such day is not the day on which the relevant Index Futures Contracts expire on Hong Kong Futures Exchange Limited (or its successor or assign), the day on which the relevant Index Futures Contracts will expire on the Hong Kong Futures Exchange Limited (or its successor or assign).

<sup>5</sup> This data may fluctuate during the life of the CBBCs and may not be comparable to similar information provided by other issuers of CBBCs. Each issuer may use different pricing models.

## Key Terms

CBBCs Stock code	61098	61113	61125	61126	61127
Liquidity Provider Broker ID	9774	9765	9765	9775	9731
Issue size	200,000,000 CBBCs	200,000,000 CBBCs	200,000,000 CBBCs	200,000,000 CBBCs	200,000,000 CBBCs
Style / Category	European style cash settled category R	European style cash settled category R	European style cash settled category R	European style cash settled category R	European style cash settled category R
Type	Bull	Bull	Bull	Bear	Bear
Index	Hang Seng Index	Hang Seng Index	Hang Seng Index	Hang Seng Index	Hang Seng Index
Board Lot	10,000 CBBCs	10,000 CBBCs	10,000 CBBCs	10,000 CBBCs	10,000 CBBCs
Issue Price per CBBC	HK\$0.25	HK\$0.25	HK\$0.25	HK\$0.25	HK\$0.25
Funding Cost per CBBC as of Launch Date <sup>1</sup>	HK\$0.220	HK\$0.238	HK\$0.202	HK\$0.184	HK\$0.166
Strike Level	23,450.00	23,629.00	23,110.00	24,230.00	24,400.00
Call Level	23,550.00	23,729.00	23,210.00	24,130.00	24,300.00
Cash Settlement Amount per Board Lot (if any) payable at expiry	Subject to no occurrence of a Mandatory Call Event: For a series of bull CBBCs: $\frac{(\text{Closing Level} - \text{Strike Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$ For a series of bear CBBCs: $\frac{(\text{Strike Level} - \text{Closing Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$				
Closing Level (for all series)	The final settlement price for settling the Hang Seng Index Futures Contracts that are scheduled to expire during the month in which the Expiry Date of the relevant series of the CBBCs is scheduled to fall (the "Index Futures Contracts") <sup>2</sup>				
Index Exchange (for all series)	The Stock Exchange of Hong Kong Limited				
Index Currency Amount	HK\$1.00	HK\$1.00	HK\$1.00	HK\$1.00	HK\$1.00
Divisor	10,000	10,000	10,000	10,000	10,000
Launch Date (for all series)	27 March 2025				
Issue Date (for all series)	31 March 2025				
Listing Date <sup>3</sup> (for all series)	1 April 2025				
Observation Commencement Date <sup>3</sup> (for all series)	1 April 2025				
Valuation Date <sup>4</sup>	29 July 2027	29 July 2027	29 July 2027	28 October 2027	28 October 2027
Expiry Date <sup>4</sup>	29 July 2027	29 July 2027	29 July 2027	28 October 2027	28 October 2027
Settlement Date (for all series)	The third CCASS Settlement Day after (i) the end of the MCE Valuation Period or (ii) the later of: (a) the Expiry Date; and (b) the day on which the Closing Level is determined in accordance with the Conditions (as the case may be)				
Settlement Currency	Hong Kong dollars	Hong Kong dollars	Hong Kong dollars	Hong Kong dollars	Hong Kong dollars
Effective Gearing <sup>5</sup>	9.49x	9.49x	9.43x	9.43x	9.43x
Gearing <sup>5</sup>	9.49x	9.49x	9.43x	9.43x	9.43x
Premium <sup>5</sup>	9.36%	10.11%	8.61%	7.84%	7.12%

<sup>1</sup> The funding cost is calculated in accordance with the following formula:

$$\text{Funding Cost} = \frac{\text{Strike Level} \times \text{funding rate} \times n / 365 \times \text{Index Currency Amount}}{\text{Divisor}}$$

Where,

- (i) "n" is the number of days remaining to expiration; initially, "n" is the number of days from (and including) the Launch Date to (and including) the trading day immediately preceding the Expiry Date; and
- (ii) the funding rate will fluctuate throughout the term of the CBBCs as further described in the "Key Risk Factors" section in this document. As of the Launch Date, the funding rate was 4.04% p.a. (for stock code 61098), 4.34% p.a. (for stock code 61113), 3.77% p.a. (for stock code 61125), 2.95% p.a. (for stock code 61126) and 2.65% p.a. (for stock code 61127).

<sup>2</sup> Determined pursuant to Regulation 012 of the Regulations for Trading Stock Index Futures Contracts and the Contract Specifications for Hang Seng Index Futures (as amended from time to time) of the Hong Kong Futures Exchange Limited (or its successor or assign), subject to our right to determine the Closing Level in good faith on the Valuation Date upon the occurrence of a Market Disruption Event as described further in Condition 4(d).

<sup>3</sup> During the period between the Launch Date and the scheduled Listing Date (both dates exclusive), if any severe weather occurs on any Business Day which either results in the Stock Exchange (i) being closed for trading for the entire day; or (ii) being closed prior to its regular time for close of trading for the relevant day, the Listing Date will be postponed (without any further notice or announcement) such that there is a period of two Business Days not affected by the aforementioned event(s) between the Launch Date and the postponed Listing Date (both dates exclusive). In such case, the Observation Commencement Date will also be postponed to the postponed Listing Date.

<sup>4</sup> If such day is not the day on which the relevant Index Futures Contracts expire on Hong Kong Futures Exchange Limited (or its successor or assign), the day on which the relevant Index Futures Contracts will expire on the Hong Kong Futures Exchange Limited (or its successor or assign).

<sup>5</sup> This data may fluctuate during the life of the CBBCs and may not be comparable to similar information provided by other issuers of CBBCs. Each issuer may use different pricing models.

## IMPORTANT INFORMATION

**The CBBCs are listed structured products which involve derivatives. Do not invest in them unless you fully understand and are willing to assume the risks associated with them.**

### What documents should you read before investing in the CBBCs?

You must read this document together with our base listing document dated 2 April 2024 (the “**Base Listing Document**”) as supplemented by any addendum thereto (together, the “**Listing Documents**”), in particular the section “Terms and Conditions of the Index Callable Bull/Bear Contracts (Cash Settled)” (the “**Conditions**”) set out in our Base Listing Document. This document (as read in conjunction with our Base Listing Document and each addendum referred to in the section headed “Product Summary Statement”) is accurate as at the date of this document. You should carefully study the risk factors set out in the Listing Documents. You should also consider your financial position and investment objectives before deciding to invest in the CBBCs. We cannot give you investment advice. You must decide whether the CBBCs meet your investment needs before investing in the CBBCs.

### Is there any guarantee or collateral for the CBBCs?

No. Our obligations under the CBBCs are neither guaranteed by any third party, nor collateralised with any of our assets or other collaterals. When you purchase our CBBCs, you are relying on our creditworthiness only, and of no other person. If we become insolvent or default on our obligations under the CBBCs, you can only claim as an unsecured creditor of the Issuer. In such event, you may not be able to recover all or even part of the amount due under the CBBCs (if any).

### What are the Issuer’s credit ratings?

The Issuer’s long-term credit ratings are:

<i>Rating agency</i>	<i>Rating as of the Launch Date</i>
Moody’s Investors Service, Inc.	Aa3 (negative outlook)
S&P Global Ratings	AA- (stable outlook)

Rating agencies usually receive a fee from the companies that they rate. When evaluating our creditworthiness, you should not solely rely on our credit ratings because:

- a credit rating is not a recommendation to buy, sell or hold the CBBCs;
- ratings of companies may involve difficult-to-quantify factors such as market competition, the success or failure of new products and markets and managerial competence;
- a high credit rating is not necessarily indicative of low risk. Our credit ratings as of the Launch Date are for reference only. Any downgrading of our ratings could result in a reduction in the value of the CBBCs;
- a credit rating is not an indication of the liquidity or volatility of the CBBCs; and
- a credit rating may be downgraded if the credit quality of the Issuer declines.

**The CBBCs are not rated.** The Issuer’s credit ratings are subject to change or withdrawal at any time within each rating agency’s sole discretion. You should conduct your own research using publicly available sources to obtain the latest information with respect to the Issuer’s ratings from time to time.

### Is the Issuer regulated by the Hong Kong Monetary Authority referred to in Rule 15A.13(2) or the Securities and Futures Commission referred to in Rule 15A.13(3)?

We are a licensed bank regulated by the Hong Kong Monetary Authority, and a registered institution under the Securities and Futures Ordinance (Cap. 571) of Hong Kong to carry on type 1 (Dealing in Securities), type 2 (Dealing in Futures Contracts), type 4 (Advising on Securities), type 5 (Advising on Futures Contracts), type 6 (Advising on Corporate Finance) and type 9 (Asset Management) regulated activities.

### Is the Issuer subject to any litigation?

Except as set out in the section headed “Our Interim Financial Statements as at and for the Six-month Period Ended 30 June 2024” of the addendum to our Base Listing Document dated 13 August 2024 (the “**Addendum**”), there are no legal or arbitration proceedings (including any such proceedings which are pending or threatened of which we are aware) which may have, or have had in the previous 12 months, a significant effect on us and our subsidiaries.

### Has our financial position changed since last financial year-end?

Except as set out in the section headed “Our Interim Financial Statements as at and for the Six-month Period Ended 30 June 2024” of the Addendum and Exhibit A and Exhibit B of the Base Listing Document, there has been no material adverse change in our financial or trading position or prospects or indebtedness since 31 December 2023.

## PRODUCT SUMMARY STATEMENT

*The CBBCs are listed structured products which involve derivatives. This statement provides you with key information about the CBBCs. You should not invest in the CBBCs based on the information contained in this statement alone. You should read and understand the remaining sections of this document, together with the other Listing Documents, before deciding whether to invest.*

### Overview of the CBBCs

- **What is a CBBC?**

A CBBC linked to an index is an instrument which tracks the performance of the underlying index.

The trading price of the CBBCs tends to follow closely the movement of the Index level in dollar value.

Similar to a derivative warrant, a CBBC may provide a leveraged return to you. Conversely, such leverage could also magnify your losses.

A bull CBBC is designed for an investor holding a view that the level of the underlying index will increase during the term of the CBBC.

A bear CBBC is designed for an investor holding a view that the level of the underlying index will decrease during the term of the CBBC.

- **How do the CBBCs work?**

The CBBCs are European style cash settled callable bull/bear contracts linked to the Index. Subject to no occurrence of a Mandatory Call Event (see “Mandatory call feature” below), the CBBCs can only be exercised on the Expiry Date.

#### **Mandatory call feature**

A Mandatory Call Event occurs if the Spot Level is at or below (in respect of a series of bull CBBCs) or at or above (in respect of a series of bear CBBCs) the Call Level at any time during an Index Business Day in the Observation Period.

The Observation Period commences from the Observation Commencement Date to the Trading Day immediately preceding the Expiry Date (both dates inclusive). “**Trading Day**” means any day on which the Stock Exchange is scheduled to open for trading for its regular trading sessions.

Upon the occurrence of a Mandatory Call Event, trading in the CBBCs will be suspended immediately and, subject to the limited circumstances set out in the Conditions in which a Mandatory Call Event may be reversed, the CBBCs will be terminated and all Post MCE Trades will be invalid and will be cancelled and will not be recognised by us or the Stock Exchange. The term “**Post MCE Trades**” means subject to such modification and amendment prescribed by the Stock Exchange from time to time, (a) in the case where the Mandatory Call Event occurs during a continuous trading session, all trades in the CBBCs concluded via auto-matching or manually after the time of the occurrence of a Mandatory Call Event, and (b) in the case where the Mandatory Call Event occurs during a pre-opening session or a closing auction session (if applicable), all auction trades in the CBBCs concluded in such session and all manual trades concluded after the end of the pre-order matching period in such session.

The time at which a Mandatory Call Event occurs will be determined by reference to the time the relevant Index level is published by the Index Compiler.

#### **Residual Value calculation**

The CBBCs are Category R as the Call Level is different from the Strike Level. Upon the occurrence of a Mandatory Call Event, the holder may be entitled to a cash amount called the “**Residual Value**” net of any Exercise Expenses (as defined under the heading “Exercise Expenses” in the sub-section titled “What are the fees and charges?” below).

The Residual Value will be calculated in accordance with a formula by reference to the lowest Spot Level (in respect of a series of bull CBBCs) or the highest Spot Level (in respect of a series of bear CBBCs) of the Index in the trading session during which a Mandatory Call Event occurs and in the following session, subject to potential extension as further described in Condition 2.

The Residual Value per Board Lot (if any) payable is calculated as follows:

*In respect of a series of bull CBBCs:*

$$\frac{(\text{Minimum Index Level} - \text{Strike Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

*In respect of a series of bear CBBCs:*

$$\frac{(\text{Strike Level} - \text{Maximum Index Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

Where:

“**Minimum Index Level**” means, in respect of a series of bull CBBCs, the lowest Spot Level of the Index during the MCE Valuation Period;

“**Maximum Index Level**” means, in respect of a series of bear CBBCs, the highest Spot Level of the Index during the MCE Valuation Period;

“**MCE Valuation Period**” means, subject to any extension (as described in further detail in the Conditions), the period commencing from and including the moment upon which the Mandatory Call Event occurs and up to the end of the following trading session on the Index Exchange; and

“**Spot Level**” means the spot level of the Index as compiled and published by the Index Compiler.

**If the Residual Value is equal to or less than the Exercise Expenses (if any), you will lose all of your investment.**

#### **At expiry**

If a Mandatory Call Event has not occurred during the Observation Period, the CBBCs will be terminated on the Expiry Date.

A bull CBBC will be automatically exercised at expiry without the need for the holder to deliver an exercise notice if the Closing Level is above the Strike Level. The more the Closing Level is above the Strike Level, the higher the payoff at expiry. If the Closing Level is at or below the Strike Level, you will lose all of your investment in the bull CBBC.

A bear CBBC will be automatically exercised at expiry without the need for the holder to deliver an exercise notice if the Closing Level is below the Strike Level. The more the Closing Level is below the Strike Level, the higher the payoff at expiry. If the Closing Level is at or above the Strike Level, you will lose all of your investment in the bear CBBC.

Upon the automatic exercise of the CBBCs, the holder is entitled to a cash amount called the “**Cash Settlement Amount**” net of any Exercise Expenses (as defined under the heading “Exercise Expenses” in the sub-section titled “What are the fees and charges?” below) according to the terms and conditions in the Listing Documents. **If the Cash Settlement Amount is equal to or less than the Exercise Expenses (if any), you will lose all of your investment in the CBBCs.**

- **Can you sell the CBBCs before the Expiry Date?**

Yes. We have made an application for listing of, and permission to deal in, the CBBCs on the Stock Exchange. All necessary arrangements have been made to enable the CBBCs to be admitted into the Central Clearing and Settlement System (“CCASS”). Issue of the CBBCs is conditional upon listing approval being granted. From the Listing Date up to the Trading Day immediately preceding the Expiry Date (both dates inclusive), you may sell or buy the CBBCs on the Stock Exchange. No application has been made to list the CBBCs on any other stock exchange.

The CBBCs may only be transferred in a Board Lot (or integral multiples thereof). Where a transfer of CBBCs takes place on the Stock Exchange, currently settlement must be made not later than two CCASS Settlement Days after such transfer.

The Liquidity Provider will make a market in the CBBCs by providing bid and/or ask prices. See the section headed “Liquidity” below.

- **What is your maximum loss?**

The maximum loss in the CBBCs will be your entire investment amount plus any transaction costs.

- **What are the factors determining the price of a CBBC?**

The price of a CBBC linked to an index generally depends on the level of the underlying index (being the Index for the CBBCs). However, throughout the term of the CBBCs, the price of the CBBCs will be influenced by a number of factors, including:

- the Strike Level and Call Level of the CBBCs;
- the likelihood of the occurrence of a Mandatory Call Event;
- the probable range of Residual Value (if any) upon the occurrence of a Mandatory Call Event;
- the time remaining to expiry;
- the interim interest rates and expected dividend payments or other distributions on any components comprising the Index;
- the liquidity of the futures contracts relating to the Index;
- the supply and demand for the CBBCs;
- the probable range of the Cash Settlement Amount;
- our related transaction cost; and
- the creditworthiness of the Issuer.

Although the price of the CBBCs tends to follow closely the movement of the Index level in dollar value, movements in the price of the CBBCs are affected by a number of factors (including those as set out above) and may not always follow closely the movements in the Index level, especially when the Spot Level is close to the Call Level or there may be expected dividend payments or other distributions on any components comprising the Index during the life of the CBBCs. It is possible that the price of the CBBCs does not increase as much as the increase (in respect of the bull CBBCs) or decrease (in respect of the bear CBBCs) in the level of the Index.

### **Risks of investing in the CBBCs**

You must read the section headed “Key Risk Factors” in this document together with the risk factors set out in our Base Listing Document. You should consider all these factors collectively when making your investment decision.

### **Liquidity**

- **How to contact the Liquidity Provider for quotes?**

Liquidity Provider: HSBC Securities Brokers (Asia) Limited  
Address: Levels 17 and 18, HSBC Main Building, 1 Queen’s Road Central, Hong Kong  
Telephone Number: (852) 2822 1849

The Liquidity Provider is regulated by the Stock Exchange and the Securities and Futures Commission. It is an affiliate of the Issuer and will act as our agent in providing quotes. You can request a quote by calling the Liquidity Provider at the telephone number above.

- **What is the Liquidity Provider’s maximum response time for a quote?** The Liquidity Provider will respond within 10 minutes and the quote will be displayed on the Stock Exchange’s designated stock page for the CBBCs.
- **Maximum spread between bid and ask prices:** 20 spreads
- **Minimum quantity for which liquidity will be provided:** 20 Board Lots
- **What are the circumstances under which the Liquidity Provider is not obliged to provide liquidity?**  
There will be circumstances under which the Liquidity Provider is not obliged to provide liquidity. Such circumstances include:

- (i) upon the occurrence of a Mandatory Call Event;
- (ii) during the first 5 minutes of each morning trading session or the first 5 minutes after trading commences for the first time on a trading day;
- (iii) during a pre-opening session or a closing auction session (if applicable) or any other circumstances as may be prescribed by the Stock Exchange;
- (iv) when the CBBCs are suspended from trading for any reason;
- (v) if there occurs or exists any suspension of or limitation imposed on trading of options or futures contracts relating to the Index or if the Index level is not calculated or published as scheduled for any reason;
- (vi) when there are no CBBCs available for market making activities. In such event, the Liquidity Provider shall continue to provide bid prices. CBBCs held by us or any of our affiliates in a fiduciary or agency capacity are not CBBCs available for market making activities;
- (vii) when there are operational and technical problems beyond the control of the Liquidity Provider hindering the ability of the Liquidity Provider to provide liquidity;
- (viii) if the stock market experiences exceptional price movement and high volatility over a short period of time which materially affects the Liquidity Provider’s ability to source a hedge or unwind an existing hedge; or
- (ix) if the theoretical value of the CBBCs is less than HK\$0.01. If the Liquidity Provider chooses to provide liquidity under this circumstance, both bid and ask prices will be made available.

You should read the sub-section entitled “Possible limited secondary market” under the “Key Risk Factors” section for further information on the key risks when the Liquidity Provider is not able to provide liquidity.

### How can you obtain further information?

- **Information about the Index**  
You may obtain information on the Index by visiting the Index Compiler's website at [www.hsi.com.hk](http://www.hsi.com.hk).
- **Information about the CBBCs after issue**  
You may visit our website at <https://www.warrants.hsbc.com.hk/en/cbbc/latest-document-and-notice> to obtain information on the CBBCs or any notice given by us in relation to the CBBCs.
- **Information about us**  
You should read the section "Updated Information about Us" in this document. You may visit [www.hsbc.com.hk](http://www.hsbc.com.hk) to obtain general corporate information about us.

*We have included references to websites in this document to indicate how further information may be obtained. Information appearing on those websites does not form part of the Listing Documents. We accept no responsibility for the accuracy or completeness of the information appearing on those websites. You should conduct your own due diligence (including without limitation web searches) to ensure that you are viewing the most up-to-date information.*

### What are the fees and charges?

- **Trading Fees and Levies**  
For each transaction effected on the Stock Exchange, the following trading fees and levies calculated on the value of the consideration for the CBBCs will be payable by each of the seller and the buyer:
  - (i) a trading fee of 0.00565 per cent. charged by the Stock Exchange;
  - (ii) a transaction levy of 0.0027 per cent. charged by the Securities and Futures Commission; and
  - (iii) a transaction levy of 0.00015 per cent. charged by the Accounting and Financial Reporting Council.The levy for the investor compensation fund is currently suspended.
- **Exercise Expenses**  
You are responsible for any Exercise Expenses. Exercise Expenses mean any charges or expenses including any taxes or duties which are incurred in respect of the early termination of the CBBCs upon the occurrence of a Mandatory Call Event or the exercise of the CBBCs at expiry. Any Exercise Expenses will be deducted from the Residual Value or the Cash Settlement Amount payable at expiry (if any, as the case may be). If the Residual Value or the Cash Settlement Amount payable at expiry (as the case may be) is equal to or less than the Exercise Expenses, no amount is payable. As at the date of this document, no Exercise Expenses are payable for cash settled callable bull/bear contracts (including the CBBCs).
- **Stamp Duty**  
No stamp duty is currently payable in Hong Kong on transfer of cash settled callable bull/bear contracts (including the CBBCs).

You should note that any transaction cost will reduce your gain or increase your loss under your investment in the CBBCs.

### What is the legal form of the CBBCs?

Each series of the CBBCs will be represented by a global certificate in the name of HKSCC Nominees Limited that is the only legal owner of the CBBCs. We will not issue definitive certificates for the CBBCs. You may arrange for your broker to hold the CBBCs in a securities account on your behalf, or if you have a CCASS Investor Participant securities account, you may arrange for the CBBCs to be held in such account. You will have to rely on the records of CCASS and/or the statements you receive from your brokers as evidence of your beneficial interest in the CBBCs.

### Can we adjust the terms or early terminate the CBBCs?

The occurrence of certain events (including, without limitation, a succession of the Index or Index Compiler, modification or cessation of calculation of the Index) may entitle us to adjust the terms and conditions of the CBBCs. However, we are not obliged to adjust the terms and conditions of the CBBCs for every event that affects the Index.

We may early terminate the CBBCs if it becomes illegal or impracticable for us (i) to perform our obligations under the CBBCs as a result of a change in law event, or (ii) to maintain our hedging arrangement with respect to the CBBCs due to a change in law event. In such event, the amount payable by us (if any) will be the fair market value of the CBBCs less our cost of unwinding any related hedging arrangements as determined by us, which may be substantially less than your initial investment and may be zero.

Please refer to Conditions 6 and 7 for details about adjustments or early termination events. Such events may negatively affect your investment and you may suffer a loss.

### Mode of settlement for the CBBCs

Subject to early termination upon the occurrence of a Mandatory Call Event, the CBBCs will be automatically exercised on the Expiry Date in integral multiples of the Board Lot if the Cash Settlement Amount is positive. If the Cash Settlement Amount is zero or negative, or is equal to or less than the Exercise Expenses, you will lose all of your investment.

Upon the occurrence of a Mandatory Call Event, the CBBCs will be early terminated and the holder is entitled to the Residual Value (if any) net of any Exercise Expenses.



We will deliver a cash amount in the Settlement Currency equal to the Residual Value or the Cash Settlement Amount payable at expiry net of any Exercise Expenses (if any) no later than the Settlement Date to HKSCC Nominees Limited (as the registered holder of the CBBCs), which will then distribute such amount to the securities account of your broker (and if applicable, its custodian) or to your CCASS Investor Participant securities account (as the case may be). You may have to rely on your broker (and if applicable, its custodian) to ensure that the Residual Value or the Cash Settlement Amount payable at expiry (if any) is credited to your account maintained with your broker. Once we make the payment to HKSCC Nominees Limited, who operates CCASS, you will have no further right against us for that payment, even if CCASS or your broker (and if applicable, its custodian) does not transfer your share of payment to you, or is late in making such payment transfer.

Payment of the Residual Value or the Cash Settlement Amount payable at expiry (if any) may be delayed if a Settlement Disruption Event occurs on the Settlement Date, as a result of which we are unable to deliver such amount through CCASS on such day. See Condition 4(d) for further information.

#### **Where can you find the relevant documents of the CBBCs?**

The following documents are available on the website of the HKEX at [www.hkexnews.hk](http://www.hkexnews.hk) and our website at <https://www.warrants.hsbc.com.hk/en/cbbc/latest-document-and-notice>:

以下文件可於香港交易所披露易網站([www.hkexnews.hk](http://www.hkexnews.hk)) 以及本公司網站<https://www.warrants.hsbc.com.hk/zh/cbbc/latest-document-and-notice> 瀏覽：

- each of the Listing Documents (in separate English and Chinese versions), including:
  - this document
  - our Base Listing Document
  - the Addendum
- our latest audited consolidated financial statements and any interim or quarterly financial statements;
- a copy of the consent letter of our auditors referred to in our Base Listing Document.

#### **Are there any dealings in the CBBCs before the Listing Date?**

It is possible that there may have been dealings in the CBBCs before the Listing Date. If there are any dealings in the CBBCs by us or any of our subsidiaries or associated companies from the Launch Date prior to the Listing Date, we will report those dealings to the Stock Exchange by the Listing Date and such report will be released on the website of the Stock Exchange.

#### **Has the auditor consented to the inclusion of its report to the Listing Documents?**

Our auditor (“**Auditor**”) has given and has not since withdrawn its written consent to the inclusion of its report dated 21 February 2024 and/or the references to its name in our Base Listing Document, in the form and context in which they are included. Its report was not prepared exclusively for incorporation into our Base Listing Document. The Auditor does not own any of our shares or shares in any member of our group, nor does it have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for our securities or securities of any member of our group.

#### **Authorisation of the CBBCs**

The issue of the CBBCs has been approved in accordance with our product governance policy since 2007.

#### **Selling restrictions**

The CBBCs have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and will not be offered, sold, delivered or traded, at any time, indirectly or directly, in the United States or to, or for the account or benefit of, (a) a U.S. Person (as defined in Regulation S of the Securities Act), (b) a U.S. person as defined in 17 C.F.R. § 23.23(a)(23) (a “**CFTC U.S. Person**”) or to others for offer or sale to or for the account or benefit of any such CFTC U.S. person or (c) a “United States person” as defined in U.S. Executive Order 13959, as amended by U.S. Executive Order 14032, or in the Chinese Military-Industrial Complex Sanctions Regulations (31 C.F.R. Part 586) (“**E.O. 13959 U.S. Persons**”), to the extent that the underlyings for the relevant CBBCs include (i) securities whose purchase or sale by E.O. 13959 U.S. Persons is restricted under Executive Order 13959 (as amended) or (ii) provide any investment exposure to any such securities ((i) and (ii) collectively, “**E.O. 13959 Restricted Underlyings**”).

E.O. 13959 U.S. Persons are restricted from purchasing or selling CBBCs with E.O. 13959 Restricted Underlyings after the effective date of the Executive Order 13959 (as amended) restrictions applicable to those underlyings and investors should seek their own independent legal advice regarding compliance with Executive Order 13959 (as amended).

The offer or transfer of the CBBCs is also subject to the selling restrictions specified in our Base Listing Document.

#### **Capitalised terms and inconsistency**

Unless otherwise specified, capitalised terms used in this document have the meanings set out in the Conditions. If this document is inconsistent with our Base Listing Document, this document shall prevail.

## INFORMATION ON THE INDEX

*The information on the Index set out below is extracted from or based on publicly available information and, in particular, information from the Index Compiler. We do not give any representation whatsoever as to the truth, accuracy, completeness, adequacy or reasonableness of any of the information contained therein whether as at the date of this document or any other time, save that we have taken reasonable care to correctly extract, summarise and/or reproduce such information.*

### Who is the Index Compiler?

Hang Seng Indexes Company Limited. The Index is managed and compiled by the Index Compiler, which is a wholly-owned subsidiary of Hang Seng Bank Limited.

### How is the Index level disseminated?

The Index level is disseminated through the website of the Index Compiler at <http://www.hsi.com.hk> and various information vendors. You should contact your stockbroker for further information.

### Index disclaimer

The Index is published and compiled by Hang Seng Indexes Company Limited pursuant to a licence from Hang Seng Data Services Limited. The mark and name Hang Seng Index are proprietary to Hang Seng Data Services Limited. Hang Seng Indexes Company Limited and Hang Seng Data Services Limited have agreed to the use of, and reference to, the Index by the Issuer in connection with the CBBCs (the "Product"), **BUT NEITHER HANG SENG INDEXES COMPANY LIMITED NOR HANG SENG DATA SERVICES LIMITED WARRANTS OR REPRESENTS OR GUARANTEES TO ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON (i) THE ACCURACY OR COMPLETENESS OF THE INDEX AND ITS COMPUTATION OR ANY INFORMATION RELATED THERETO; OR (ii) THE FITNESS OR SUITABILITY FOR ANY PURPOSE OF THE INDEX OR ANY COMPONENT OR DATA COMPRISED IN IT; OR (iii) THE RESULTS WHICH MAY BE OBTAINED BY ANY PERSON FROM THE USE OF THE INDEX OR ANY COMPONENT OR DATA COMPRISED IN IT FOR ANY PURPOSE, AND NO WARRANTY OR REPRESENTATION OR GUARANTEE OF ANY KIND WHATSOEVER RELATING TO THE INDEX IS GIVEN OR MAY BE IMPLIED.** The process and basis of computation and compilation of the Index and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by Hang Seng Indexes Company Limited without notice. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY HANG SENG INDEXES COMPANY LIMITED OR HANG SENG DATA SERVICES LIMITED (i) IN RESPECT OF THE USE OF AND/OR REFERENCE TO THE INDEX BY THE ISSUER IN CONNECTION WITH THE PRODUCT; OR (ii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES OR ERRORS OF HANG SENG INDEXES COMPANY LIMITED IN THE COMPUTATION OF THE INDEX; OR (iii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES, ERRORS OR INCOMPLETENESS OF ANY INFORMATION USED IN CONNECTION WITH THE COMPUTATION OF THE INDEX WHICH IS SUPPLIED BY ANY OTHER PERSON; OR (iv) FOR ANY ECONOMIC OR OTHER LOSS WHICH MAY BE DIRECTLY OR INDIRECTLY SUSTAINED BY ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON DEALING WITH THE PRODUCT AS A RESULT OF ANY OF THE AFORESAID, AND NO CLAIMS, ACTIONS OR LEGAL PROCEEDINGS MAY BE BROUGHT AGAINST HANG SENG INDEXES COMPANY LIMITED AND/OR HANG SENG DATA SERVICES LIMITED** in connection with the Product in any manner whatsoever by any broker, holder or other person dealing with the Product. Any broker, holder or other person dealing with the Product does so therefore in full knowledge of this disclaimer and can place no reliance whatsoever on Hang Seng Indexes Company Limited and Hang Seng Data Services Limited. For the avoidance of doubt, this disclaimer does not create any contractual or quasi-contractual relationship between any broker, holder or other person and Hang Seng Indexes Company Limited and/or Hang Seng Data Services Limited and must not be construed to have created such relationship.

## KEY RISK FACTORS

You must read these key risk factors together with the risk factors set out in our Base Listing Document. These key risk factors do not necessarily cover all risks related to the CBBCs. If you have any concerns or doubts about the CBBCs, you should obtain independent professional advice.

### Non-collateralised structured products

The CBBCs are not secured on any of our assets or any collateral.

### Credit risk

If you invest in the CBBCs, you are relying on our creditworthiness and of no other person (including the ultimate holding company of our group, HSBC Holdings plc). If we become insolvent or default on our obligations under the CBBCs, you can only claim as unsecured creditor regardless of the performance of the Index and may not be able to recover all or even part of the amount due under the CBBCs (if any). You have no rights under the terms of the CBBCs against the Index Compiler or any company which has issued any constituent securities of the Index.

### CBBCs are not principal protected and may become worthless

Given the gearing effect inherent in the CBBCs, a small change in the Index level may lead to a substantial price movement in the CBBCs. You may suffer higher losses in percentage terms if you expect the level of the Index to move one way but it moves in the opposite direction.

Unlike stocks, the CBBCs have a limited life and will be early terminated upon the occurrence of a Mandatory Call Event or expire on the Expiry Date. In the worst case, the CBBCs may be early terminated or expire with no value and you will lose all of your investment. The CBBCs may only be suitable for experienced investors who are willing to accept the risk that they may lose all their investment.

### The CBBCs can be volatile

Prices of the CBBCs may rise or fall rapidly. You should carefully consider, among other things, the following factors before dealing in the CBBCs:

- (i) the Strike Level and Call Level of the CBBCs;
- (ii) the likelihood of the occurrence of a Mandatory Call Event;
- (iii) the probable range of Residual Value (if any) upon the occurrence of a Mandatory Call Event;
- (iv) the time remaining to expiry;
- (v) the interim interest rates and expected dividend payments or other distributions on any components comprising the Index;
- (vi) the liquidity of the futures contracts relating to the Index;
- (vii) the supply and demand for the CBBCs;
- (viii) the probable range of the Cash Settlement Amount;
- (ix) the related transaction cost (including the Exercise Expenses, if any); and
- (x) the creditworthiness of the Issuer.

The value of the CBBCs may not follow closely the movements in the level of the Index. If you buy the CBBCs with a view to hedge against your exposure to any futures contract relating to the Index, it is possible that you could suffer loss in your investment in that futures contract and the CBBCs.

**In particular, you should note that when the Spot Level of the Index is close to the Call Level, the trading price of the CBBCs will be more volatile. The change in the trading price of the CBBCs may not be comparable and may be disproportionate with the change in the Index level. In such case, a small change in the Index level may lead to a substantial price movement in the CBBCs.**

### Suspension of trading

If the calculation and/or publication of the Index level by the Index Compiler is suspended for whatever reasons, trading in the CBBCs may be suspended for a similar period.

In the event the Index Compiler publishes a notice regarding the occurrence of system outage of the Index Compiler which affects the normal index level dissemination of the Index and failure of the Index Compiler to provide a periodic publication of the index level with respect to the Index at a minimum of every 15 minute interval on its website under the contingency mode (an “**Index Disruption Event**”), trading in the CBBCs will be halted as early as practicable. In such case, we will publish an announcement in relation to the trading halt of the CBBCs.

If the Index Compiler publishes a notice (an “**index resumption notice**”) regarding resumption of normal index level dissemination of the Index no later than 15 minutes prior to the end of a continuous trading session, the CBBCs will resume trading on the Stock Exchange as early as practicable following the index resumption notice in the same continuous trading session. Otherwise, if the index resumption notice is published less than 15 minutes prior to the end of a continuous trading session, the CBBCs will resume trading on the Stock Exchange in the subsequent continuous trading session. Following the publication of the index resumption notice, we will publish an announcement in relation to the resumption of trading of the CBBCs.

In such case, the value of the CBBCs may be subject to a significant impact of time decay and may fluctuate significantly upon resumption of trading, which may adversely affect your investment in the CBBCs.

You should note that outstanding orders of the CBBCs will not be automatically cancelled during the trading halt of the CBBCs and will remain valid when trading is resumed on the same day. You should contact your broker before resumption of trading if you wish to cancel your order(s) of the CBBCs.

You should also note that once the index level dissemination of the Index is resumed, the CBBCs will be subject to the Mandatory Call Event as set out in the terms and conditions of the CBBCs and a Mandatory Call Event may occur notwithstanding that (i) the Index is updated on the Index Compiler’s website under the contingency mode at an interval which is less frequent than normal index level dissemination; or (ii) the CBBCs have not resumed trading on the Stock Exchange, which may adversely affect your investment in the CBBCs.

### Trading halt and resumption of trading arrangements in connection with an Index Disruption Event

You should note that there are potential risks associated with the occurrence of an Index Disruption Event and the implementation of the trading halt and resumption in connection with the Index Disruption Event as specified under the risk factor headed “*Suspension of Trading*” above (the “**Trading Arrangements**”), which may adversely affect your investment in the CBBCs. The Stock Exchange, HKEX and its affiliates, shall not incur any liability (whether based on contract, tort, (including, without limitation, negligence), or any other legal or equitable grounds and without regard to the circumstances giving rise to any purported claim except in the case of wilful misconduct on the part of the Stock Exchange, HKEX and/or its affiliates) for, any direct,

consequential, special, indirect, economic, punitive, exemplary or any other loss or damage suffered or incurred by us or any other party arising from or in connection with the Trading Arrangements or an Index Disruption Event, including without limitation, any delay, failure, mistake or error in the Stock Exchange effecting the Trading Arrangements.

Except in the case of wilful misconduct on the part of us, we and our affiliates shall not have any responsibility for any loss or damage suffered or incurred by any party arising from or in connection with the Trading Arrangements or an Index Disruption Event, including without limitation, any delay, failure, mistake or error in the Trading Arrangements.

#### **You may lose your entire investment when a Mandatory Call Event occurs**

Unlike warrants, CBBCs has a mandatory call feature and trading in the CBBCs will be suspended when the Spot Level reaches the Call Level (subject to the circumstances in which a Mandatory Call Event will be reversed as set out in the sub-section titled “Mandatory Call Event is irrevocable” below). No investors can sell the CBBCs after the occurrence of a Mandatory Call Event. Even if the level of the Index bounces back in the right direction, the CBBCs which have been terminated as a result of the Mandatory Call Event will not be revived and investors will not be able to profit from the bounce-back. Investors may receive a Residual Value after the occurrence of a Mandatory Call Event but such amount may be zero.

#### **Mandatory Call Event is irrevocable**

A Mandatory Call Event is irrevocable unless it is triggered as a result of any of the following events:

- (i) report of system malfunction or other technical errors of HKEX (such as the setting up of wrong Call Level or other parameters) by the Stock Exchange to us; or
- (ii) report of manifest errors caused by the relevant third party price source where applicable by us to the Stock Exchange,

and we agree with the Stock Exchange that such Mandatory Call Event is to be revoked provided that such mutual agreement must be reached no later than 30 minutes before the commencement of trading (including the pre-opening session) (Hong Kong time) on the Trading Day of the Stock Exchange immediately following the day on which the Mandatory Call Event occurs, or such other time as prescribed by the Stock Exchange from time to time.

In such case, the Mandatory Call Event so triggered will be reversed and all trades cancelled (if any) will be reinstated and the trading of the CBBCs will resume.

#### **Delay in Mandatory Call Event notification**

We will notify the market as soon as reasonably practicable after the occurrence of a Mandatory Call Event. You should be aware that there may be a delay in our announcement of a Mandatory Call Event due to technical errors, system failures and other factors that are beyond the reasonable control of the Stock Exchange and us.

#### **Non-Recognition of Post MCE Trades**

The Stock Exchange and its recognised exchange controller, HKEX, will not incur any liability (whether based on contract, tort, (including, without limitation, negligence), or any other legal or equitable grounds and without regard to the circumstances giving rise to any purported claim except in the case of wilful misconduct on the part of the Stock Exchange and/or HKEX) for, any direct, consequential, special, indirect, economic, punitive, exemplary or any other loss or damage suffered or incurred by us or any other party arising from or in connection with the Mandatory Call Event or the suspension of trading (“**Trading Suspension**”) or the non-recognition of trades after a Mandatory Call Event (“**Non-Recognition of Post MCE Trades**”), including without limitation, any delay, failure, mistake or error in the Trading Suspension or Non-Recognition of Post MCE Trades.

We and our affiliates shall not have any responsibility for any losses suffered as a result of the Trading Suspension and/or Non-Recognition of Post MCE Trades in connection with the occurrence of a Mandatory Call Event, notwithstanding that such Trading Suspension or Non-Recognition of Post MCE Trades may have occurred as a result of an error in the observation of the event.

#### **Fluctuation in the Funding Cost**

The Issue Price of the CBBCs is set by reference to the difference between the initial reference spot level of the Index and the Strike Level, plus the applicable Funding Cost as of the Launch Date. The initial Funding Cost applicable to the CBBCs is specified in the section headed “Key Terms” in this document. It will fluctuate throughout the life of the CBBCs as the funding rate may change from time to time. The funding rate is a rate determined by us based on one or more of the following factors, including but not limited to the Strike Level, the prevailing interest rate, the expected life of the CBBCs, any expected notional dividend payments or other distributions in respect of any securities comprising the Index and the margin financing provided by us.

#### **Residual Value will not include residual Funding Cost**

The Residual Value (if any) payable by us following the occurrence of a Mandatory Call Event will not include the residual Funding Cost for the CBBCs. When a Mandatory Call Event occurs, the investors will lose the Funding Cost for the full period.

#### **Our hedging activities**

Our trading and/or hedging activities or those of our related parties related to the CBBCs and/or other financial instruments issued by us from time to time may have an impact on the Index level and may trigger a Mandatory Call Event.

In particular, when the Spot Level of the Index is close to the Call Level, our unwinding activities in relation to the Index may cause a fall or rise (as the case may be) in the Index level leading to a Mandatory Call Event as a result of such unwinding activities.

We or our related party may unwind our hedging transactions relating to the CBBCs in proportion to the amount of the CBBCs we repurchase from the market from time to time. Such activity may lead to greater volatility of the level of the index, and may lead to a Mandatory Call Event as a result. Upon the occurrence of a Mandatory Call Event, we or our related party may unwind any hedging transactions relating to the CBBCs. Such unwinding activities after the occurrence of a Mandatory Call Event may affect the Index level and consequently the Residual Value for the CBBCs.

**Time decay**

Without taking into account interim interest rates and expected dividend payments or other distributions on any components comprising the Index and assuming all other factors remain constant, the value of a CBBC is likely to decrease over time. Therefore, the CBBCs should not be viewed as a product for long term investments.

**Possible limited secondary market**

The Liquidity Provider may be the only market participant for the CBBCs and therefore the secondary market for the CBBCs may be limited. The more limited the secondary market, the more difficult it may be for you to realise the value in the CBBCs prior to expiry.

You should also be aware that the Liquidity Provider may not be able to provide liquidity when there are operational and technical problem hindering its ability to do so. Even if the Liquidity Provider is able to provide liquidity in such circumstances, its performance of liquidity provision may be adversely affected. For example:

- (i) the spread between bid and ask prices quoted by the Liquidity Provider may be significantly wider than its normal standard;
- (ii) the quantity for which liquidity will be provided by the Liquidity Provider may be significantly smaller than its normal standard; and/or
- (iii) the Liquidity Provider's response time for a quote may be significantly longer than its normal standard.

**Change of calculation methodology or failure to publish the Index**

If there is a material change in the calculation of the Index level or a failure to publish the Index, we may determine the Closing Level on the basis of the method last in effect prior to such change or failure.

**Publication of Index level when component shares are not trading**

The Index Compiler may publish the Index level at a time when one or more shares comprising the Index are not trading.

**Adjustment related risk**

The occurrence of certain events (including, without limitation, a succession of the Index or Index Compiler, modification or cessation of calculation of the Index) may entitle us to adjust the terms and conditions of the CBBCs. However, we are not obliged to adjust the terms and conditions of the CBBCs for every event that affects the Index. Any adjustment or decision not to make any adjustment may adversely affect the value of the CBBCs. Please refer to Condition 6 for details about adjustments.

**Possible early termination**

We may early terminate the CBBCs if it becomes illegal or impracticable for us (i) to perform our obligations under the CBBCs as a result of a change in law event, or (ii) to maintain our hedging arrangement with respect to the CBBCs due to a change in law event. In such event, the amount payable by us (if any) will be the fair market value of the CBBCs less our costs of unwinding any related hedging arrangements as determined by us, which may

be substantially less than your initial investment and may be zero. Please refer to Condition 7 for details about our early termination rights.

**Time lag between early termination or exercise and settlement of the CBBCs**

There is a time lag between the early termination or exercise of the CBBCs and payment of the Residual Value or the Cash Settlement Amount payable at expiry net of Exercise Expenses (if any). There may be delays in the electronic settlement or payment through CCASS.

**Conflict of interest**

We and our subsidiaries and affiliates engage in a wide range of commercial and investment banking, brokerage, funds management, hedging, investment and other activities and may possess material information about the Index or issue or update research reports on the Index. Such activities, information and/or research reports may involve or affect the Index and may cause consequences adverse to you or otherwise create conflicts of interests in connection with the issue of the CBBCs. We have no obligation to disclose such information and may issue research reports and engage in any such activities without regard to the issue of the CBBCs.

In the ordinary course of our business, we and our subsidiaries and affiliates may effect transactions for our own account or for the account of our customers and may enter into one or more transactions with respect to the Index or related derivatives. This may indirectly affect your interests.

**We and/or members of our group (acting as a dealer) may offer commission rebates or other incentives**

We and/or members of our group may, from time to time, act in the capacity of a dealer of the CBBCs. When acting in such capacity, we and/or members of our group may, in the ordinary course of our/their business, offer commission rebates or other incentives to our/their customers in respect of the CBBCs. Your investment decision should not be based solely on the benefit of the offer of such commission rebates or other incentives. Before deciding to invest in the CBBCs, you should fully understand the nature and product features of the CBBCs and read the Listing Documents, in particular, the risk factors set out in the Listing Documents and where necessary, seek independent professional advice. You should also consider your financial position and investment objectives before deciding to invest in the CBBCs.

**No direct contractual rights**

The CBBCs are issued in global registered form and are held within CCASS. You will not receive any definitive certificate and your name will not be recorded in the register of the CBBCs. The evidence of your interest in the CBBCs, and the efficiency of the ultimate payment of the Residual Value or the Cash Settlement Amount payable at expiry net of Exercise Expenses (if any), are subject to the CCASS Rules. You will have to rely on your broker (or, if applicable, its direct or indirect custodians) and the statements you receive from it as evidence of your interest in the CBBCs. You do not have any direct contractual rights against us. To assert your rights as an investor in the CBBCs, you will have to rely on your broker (and, if applicable, its direct or indirect

custodian) to take action on your behalf. If your broker or, if applicable, its direct or indirect custodian:

- (i) fails to take action in accordance with your instructions;
- (ii) becomes insolvent; or
- (iii) defaults on its obligations,

you will need to take action against your broker in accordance with the terms of arrangement between you and your broker to establish your interest in the CBBCs first before you can assert your right of claim against us. You may experience difficulties in taking such legal proceedings. This is a complicated area of law and you should seek independent legal advice for further information.

#### **The Listing Documents should not be relied upon as the sole basis for your investment decision**

The Listing Documents do not take into account your investment objectives, financial situation or particular needs. Nothing in the Listing Documents should be construed as a recommendation by us or our affiliates to invest in the CBBCs or any futures contracts relating to the Index.

#### **Not the ultimate holding company of the group**

We are not the ultimate holding company of the group to which we belong. The ultimate holding company of the group to which we belong is HSBC Holdings plc.

#### **Credit ratings**

Our credit ratings as of the Launch Date are for reference only. Any downgrading of our ratings could result in a reduction in the value of the CBBCs.

#### **Two or more risk factors may simultaneously affect the CBBCs**

Two or more risk factors may simultaneously have an effect on the value of a CBBC 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 CBBC.

#### **The Financial Institutions (Resolution) Ordinance may adversely affect the CBBCs**

On 7 July 2017, the Financial Institutions (Resolution) Ordinance (Cap. 628) of Hong Kong (the “**FIRO**”) came into operation. The FIRO provides for, among other things, the establishment of a resolution regime for authorized institutions and other within scope financial institutions in Hong Kong which may be designated by the relevant resolution authorities, which includes us as the issuer of the CBBCs. The resolution regime seeks to provide the relevant resolution authorities with administrative powers to bring about timely and orderly resolution in order to stabilise and secure continuity for a failing authorized institution or within scope financial institution in Hong Kong. In particular, the relevant resolution authority is provided with powers to affect contractual and property rights as well as payments (including in respect of any priority of payment) that creditors would receive in resolution. These may include, but are not limited to, powers to cancel, write off, modify, convert or replace all or a part of the CBBCs or cash payment under the CBBCs, and powers to amend or alter the contractual provisions of the CBBCs, all of which may adversely affect the value of the CBBCs, and the holders thereof may suffer a loss of some or all of their investment as a result. Holders of the CBBCs may become subject to and bound by the FIRO.

On 25 June 2021, the government of Hong Kong published the Financial Institutions (Resolution) (Contractual Recognition of Suspension of Termination Rights – Banking Sector) Rules (the “**Stay Rules**”) in the Gazette. The Stay Rules have come into operation on 27 August 2021 following completion of the vetting process by the Legislative Council of Hong Kong. Subject to certain transitional periods, entities subject to the Stay Rules

are required to adopt appropriate provisions in certain financial contracts to the effect that the contractual parties agree to be bound by the temporary stay that may be imposed by the Hong Kong Monetary Authority under the FIRO, which may in turn affect any in-scope financial contracts between a qualifying entity and its counterparty(ies).

As the implementation of FIRO remains untested and certain details relating to FIRO will be set out through secondary legislation and supporting rules, we are unable to assess the full impact of FIRO, the Stay Rules, any potential secondary legislation and/or supporting rules and regulations made under FIRO on the financial system generally, our counterparties, us, any of our consolidated subsidiaries, our operations and/or our financial position. **In the worst case scenario, you may get nothing back and the maximum loss could be 100% of your initial investment amount.**

#### **Recent and future U.S. government actions**

The US government’s recent and future actions against mainland China and Hong Kong may affect the price or value of the underlying equities or indices (as applicable) and the prevailing trading price of the CBBCs. There can be no assurances that any future actions taken by the U.S. government (or other governments) against mainland China and Hong Kong will not have an adverse effect on the trading price or value of the CBBCs.

#### **Restrictions on E.O. 13959 U.S. Persons**

To the extent the CBBCs include underlying securities that are or become E.O. 13959 Restricted Underlyings, E.O. 13959 U.S. Persons are or will be restricted under Executive Order 13959 (as amended) from purchasing and selling the CBBCs, which may adversely affect the prevailing trading price of the CBBCs. E.O. 13959 U.S. Persons are urged to seek independent legal advice regarding compliance with Executive Order 13959 (as amended).

## Updated information about Us

### Waiver from compliance with the Rules

The Issuer has applied for, and the Stock Exchange has granted, a waiver from compliance with Rule 15A.24A of the Rules in respect of securities promotional campaigns (the “**Incentive**”) offered by the Wealth and Personal Banking Division of the Issuer for the period from 1 January 2025 to 31 December 2025 (the “**Waiver**”).

The Incentive is applicable equally under the same terms to all listed securities regardless of product type or issuer. Any incentives given by the Wealth and Personal Banking Division of the Issuer will not be recovered (directly or indirectly) from the Global Banking and Markets Division of the Issuer which operates the structured products business.

The Waiver is granted subject to the following conditions:

- (a) the inclusion of a risk factor in supplemental listing documents and a reminder to investors in all marketing materials of the Incentive. The risk factor and the reminder to investors should contain the following:
  - (i) a statement to the effect that the Incentive is offered as part of the ordinary course of business of the Issuer’s securities business; and
  - (ii) a reminder to investors to the effect that they should focus their assessment on product features of the structured products and assess the risks against their investment objectives before making investment decisions, without regard to the benefit of the Incentive.
- (b) the disclosure of details of the Waiver granted in this document and/or the Base Listing Document.

Pursuant to the Waiver, a risk factor entitled “We and/or members of our group (acting as a dealer) may offer commission rebates or other incentives” under the section headed “Key Risk Factors” is included in this document.

### Korean short selling indictment

Reference is made to the disclosure on page 151 of the Annual Report and Accounts 2023 in Exhibit A of the Base Listing Document and page 27 of the Interim Report 2024 of the Addendum. In March 2024, the Korean Prosecutors’ Office issued a criminal indictment against the Issuer and three current and former employees for breaching short selling rules under the Financial Investment Services and Capital Markets Act in connection with trades carried out between August 2021 and December 2021. In February 2025, the Korean court acquitted the Issuer of all charges. The Korean Prosecutors’ Office has the right to appeal this decision. Proceedings against the individual defendants have been suspended.

### Annual Report and Accounts

The Issuer published its Annual Report and Accounts on 11 March 2025. Selected relevant parts of the Annual Report and Accounts dated 11 March 2025 is set out below. The selected relevant parts of the Annual Report and Accounts are not complete and reference should be made to the full Annual Report and Accounts which is available at <https://www.hsbc.com/-/files/hsbc/investors/hsbc-results/2024/annual/pdfs/the-hongkong-and-shanghai-banking-corporation-limited/250311-annual-report-and-accounts-2024-en.pdf>.

# Consolidated Financial Statements

## Consolidated income statement

for the year ended 31 December

	Notes	2024 HK\$m	2023 HK\$m
Net interest income	2a	117,637	130,780
– interest income		315,868	295,212
– interest expense		(198,231)	(164,432)
Net fee income	2b	42,517	38,043
– fee income		56,219	51,025
– fee expense		(13,702)	(12,982)
Net income from financial instruments held for trading or managed on a fair value basis	2c	91,930	74,435
Net income from assets and liabilities of insurance businesses, including related derivatives, measured at fair value through profit or loss	2c	36,024	48,959
Insurance finance expense		(35,663)	(48,798)
Insurance service result	3	8,131	6,558
– Insurance revenue		16,533	13,007
– Insurance service expense		(8,402)	(6,449)
Other operating income/(expense)	2d	5,119	(298)
<b>Net operating income before change in expected credit losses and other credit impairment charges</b>		<b>265,695</b>	<b>249,679</b>
Change in expected credit losses and other credit impairment charges	2e	(11,946)	(12,843)
<b>Net operating income</b>		<b>253,749</b>	<b>236,836</b>
Employee compensation and benefits	4	(40,028)	(38,547)
General and administrative expenses	2f	(57,967)	(54,538)
Depreciation and impairment of property, plant and equipment	2g	(10,925)	(9,724)
Amortisation and impairment of intangible assets		(8,672)	(7,184)
<b>Total operating expenses</b>		<b>(117,592)</b>	<b>(109,993)</b>
<b>Operating profit</b>		<b>136,157</b>	<b>126,843</b>
Share of profit in associates and joint ventures	14	17,775	18,555
Impairment of interest in associate	14	–	(23,955)
<b>Profit before tax</b>		<b>153,932</b>	<b>121,443</b>
Tax expense	5	(24,681)	(23,916)
<b>Profit for the year</b>		<b>129,251</b>	<b>97,527</b>
Attributable to:			
– ordinary shareholders of the parent company		118,787	87,191
– other equity holders		3,576	3,556
– non-controlling interests		6,888	6,780
<b>Profit for the year</b>		<b>129,251</b>	<b>97,527</b>



**Consolidated statement of comprehensive income**  
for the year ended 31 December

	2024 HK\$m	2023 HK\$m
Profit for the year	129,251	97,527
<b>Other comprehensive income/(expense)</b>		
<b>Items that will be reclassified subsequently to profit or loss when specific conditions are met:</b>		
Debt instruments at fair value through other comprehensive income	(183)	7,953
– fair value gains	173	6,256
– fair value (gains)/losses transferred to the income statement	(52)	3,799
– expected credit (recoveries)/losses recognised in the income statement	49	(372)
– income taxes	(353)	(1,730)
Cash flow hedges	(1,156)	3,605
– fair value gains	15,398	7,581
– fair value gains reclassified to the income statement	(16,764)	(3,282)
– income taxes	210	(694)
Share of other comprehensive income of associates and joint ventures	2,978	736
Exchange differences	(18,086)	(9,043)
<b>Items that will not be reclassified subsequently to profit or loss:</b>		
Property revaluation	(203)	4,496
– fair value gains/(losses)	(271)	5,330
– income taxes	68	(834)
Equity instruments designated at fair value through other comprehensive income	790	(899)
– fair value gains/(losses)	974	(895)
– income taxes	(184)	(4)
Changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	(2,365)	(5,410)
– before income taxes	(2,831)	(6,457)
– income taxes	466	1,047
Remeasurement of defined benefit asset/liability	685	21
– before income taxes	812	26
– income taxes	(127)	(5)
<b>Other comprehensive income/(expense) for the year, net of tax</b>	<b>(17,540)</b>	<b>1,459</b>
<b>Total comprehensive income for the year</b>	<b>111,711</b>	<b>98,986</b>
Attributable to:		
– ordinary shareholders of the parent company	101,367	88,289
– other equity holders	3,576	3,556
– non-controlling interests	6,768	7,141
<b>Total comprehensive income for the year</b>	<b>111,711</b>	<b>98,986</b>

## Consolidated balance sheet at 31 December

	Notes	31 Dec 2024 HK\$m	31 Dec 2023 HK\$m
<b>Assets</b>			
Cash and balances at central banks		211,047	232,987
Hong Kong Government certificates of indebtedness		328,454	328,304
Trading assets	7	1,085,321	941,250
Derivatives	8	505,260	409,253
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	9	781,210	707,573
Reverse repurchase agreements – non-trading		816,102	831,186
Loans and advances to banks		480,740	563,801
Loans and advances to customers	10	3,494,298	3,557,076
Financial investments	11	2,337,844	2,029,212
Amounts due from Group companies	31	175,004	158,592
Interests in associates and joint ventures	14	178,330	170,206
Goodwill and intangible assets	15	41,308	38,923
Property, plant and equipment	16	120,774	129,675
Deferred tax assets	5	10,307	9,315
Prepayments, accrued income and other assets <sup>1</sup>	17	382,941	393,040
<b>Total assets</b>		<b>10,948,940</b>	<b>10,500,393</b>
<b>Liabilities</b>			
Hong Kong currency notes in circulation		328,454	328,304
Repurchase agreements – non-trading		624,784	521,984
Deposits by banks		183,612	182,146
Customer accounts	18	6,564,606	6,261,051
Trading liabilities	19	86,557	103,050
Derivatives	8	473,488	450,216
Financial liabilities designated at fair value	20	178,739	170,728
Debt securities in issue	21	64,362	87,745
Retirement benefit liabilities	4	805	1,362
Amounts due to Group companies	31	396,356	465,476
Accruals and deferred income, other liabilities and provisions <sup>1</sup>	22	339,713	285,649
Insurance contract liabilities	3	799,443	730,829
Current tax liabilities		7,096	15,344
Deferred tax liabilities	5	22,917	23,923
<b>Total liabilities</b>		<b>10,070,932</b>	<b>9,627,807</b>
<b>Equity</b>			
Share capital	23	180,181	180,181
Other equity instruments	24	64,677	52,465
Other reserves		102,993	117,214
Retained earnings		471,198	462,866
<b>Total shareholders' equity</b>		<b>819,049</b>	<b>812,726</b>
Non-controlling interests		58,959	59,860
<b>Total equity</b>		<b>878,008</b>	<b>872,586</b>
<b>Total liabilities and equity</b>		<b>10,948,940</b>	<b>10,500,393</b>

<sup>1</sup> In 2023 'Items in the course of collection from other banks' HK\$22bn were presented on the face of the balance sheet but are now reported within 'Prepayments, accrued income and other assets' in the Annual Report and Accounts 2024. Similarly, 'Items in the course of transmission to other banks' HK\$28bn are now presented within 'Accruals, deferred income and other liabilities'.

Consolidated statement of changes in equity  
for the year ended 31 December

	Other reserves										Total equity HK\$m
	Share capital <sup>1</sup>	Other equity instruments	Retained earnings	Property revaluation reserve	Financial assets at FVOCI reserve	Cash flow hedge reserve	Foreign exchange reserve	Other <sup>4</sup>	Total shareholders' equity	Non-controlling interests	
	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	
<b>At 1 Jan 2024</b>	<b>180,181</b>	<b>52,465</b>	<b>462,866</b>	<b>65,279</b>	<b>(2,546)</b>	<b>1,851</b>	<b>(47,899)</b>	<b>100,529</b>	<b>812,726</b>	<b>59,860</b>	<b>872,586</b>
Profit for the year	—	—	122,363	—	—	—	—	—	122,363	6,888	129,251
Other comprehensive income/(expense) (net of tax)	—	—	(1,796)	23	2,962	(1,140)	(17,493)	24	(17,420)	(120)	(17,540)
– debt instruments at fair value through other comprehensive income	—	—	—	—	(289)	—	—	—	(289)	106	(183)
– equity instruments designated at fair value through other comprehensive income	—	—	—	—	605	—	—	—	605	185	790
– cash flow hedges	—	—	—	—	—	(1,136)	—	—	(1,136)	(20)	(1,156)
– changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	—	—	(2,364)	—	—	—	—	—	(2,364)	(1)	(2,365)
– property revaluation	—	—	—	23	—	—	—	—	23	(226)	(203)
– remeasurement of defined benefit asset/liability	—	—	561	—	—	—	—	—	561	124	685
– share of other comprehensive income of associates and joint ventures	—	—	7	—	2,947	—	—	24	2,978	—	2,978
– exchange differences	—	—	—	—	(301)	(4)	(17,493)	—	(17,798)	(288)	(18,086)
<b>Total comprehensive income/(expense) for the year</b>	<b>—</b>	<b>—</b>	<b>120,567</b>	<b>23</b>	<b>2,962</b>	<b>(1,140)</b>	<b>(17,493)</b>	<b>24</b>	<b>104,943</b>	<b>6,768</b>	<b>111,711</b>
Other equity instruments issued <sup>2</sup>	—	27,873	—	—	—	—	—	—	27,873	—	27,873
Other equity instruments redeemed <sup>3</sup>	—	(15,661)	—	—	—	—	—	—	(15,661)	—	(15,661)
Dividends to shareholders <sup>5</sup>	—	—	(109,776)	—	—	—	—	—	(109,776)	(4,844)	(114,620)
Movement in respect of share-based payment arrangements	—	—	(212)	—	—	—	—	(252)	(464)	10	(454)
Transfers and other movements <sup>6</sup>	—	—	(2,247)	(4,098)	8	(1)	—	5,746	(592)	(2,835)	(3,427)
<b>At 31 Dec 2024</b>	<b>180,181</b>	<b>64,677</b>	<b>471,198</b>	<b>61,204</b>	<b>424</b>	<b>710</b>	<b>(65,392)</b>	<b>106,047</b>	<b>819,049</b>	<b>58,959</b>	<b>878,008</b>

## Consolidated statement of changes in equity (continued)

### for the year ended 31 December

	Other reserves										
	Share capital <sup>1</sup>	Other equity instruments	Retained earnings	Property revaluation reserve	Financial assets at FVOCI reserve	Cash flow hedge reserve	Foreign exchange reserve	Other <sup>4</sup>	Total shareholders' equity	Non-controlling interests	Total equity
	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m
At 1 Jan 2023	180,181	52,386	466,148	65,148	(11,186)	(1,487)	(38,470)	94,832	807,552	56,828	864,380
Profit for the year	—	—	90,747	—	—	—	—	—	90,747	6,780	97,527
Other comprehensive income/(expense) (net of tax)	—	—	(5,415)	4,186	7,840	3,342	(8,698)	(157)	1,098	361	1,459
– debt instruments at fair value through other comprehensive income	—	—	—	—	7,784	—	—	—	7,784	169	7,953
– equity instruments designated at fair value through other comprehensive income	—	—	—	—	(689)	—	—	—	(689)	(210)	(899)
– cash flow hedges	—	—	—	—	—	3,334	—	—	3,334	271	3,605
– changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	—	—	(5,413)	—	—	—	—	—	(5,413)	3	(5,410)
– property revaluation	—	—	—	4,186	—	—	—	—	4,186	310	4,496
– remeasurement of defined benefit asset/liability	—	—	(7)	—	—	—	—	—	(7)	28	21
– share of other comprehensive income/(expense) of associates and joint ventures	—	—	5	—	888	—	—	(157)	736	—	736
– exchange differences	—	—	—	—	(143)	8	(8,698)	—	(8,833)	(210)	(9,043)
Total comprehensive income/(expense) for the year	—	—	85,332	4,186	7,840	3,342	(8,698)	(157)	91,845	7,141	98,986
Other equity instruments issued <sup>2</sup>	—	7,850	—	—	—	—	—	—	7,850	—	7,850
Other equity instruments redeemed <sup>3</sup>	—	(7,771)	(406)	—	—	—	—	—	(8,177)	—	(8,177)
Dividends to shareholders <sup>5</sup>	—	—	(86,356)	—	—	—	—	—	(86,356)	(3,843)	(90,199)
Movement in respect of share-based payment arrangements	—	—	(99)	—	—	—	—	(208)	(307)	12	(295)
Transfers and other movements <sup>6</sup>	—	—	(1,753)	(4,055)	800	(4)	(731)	6,062	319	(278)	41
At 31 Dec 2023	180,181	52,465	462,866	65,279	(2,546)	1,851	(47,899)	100,529	812,726	59,860	872,586

1 Ordinary share capital includes preference shares which have been redeemed or bought back via payments out of distributable profits in previous years.

2 The Hongkong and Shanghai Banking Corporation Limited issued SG\$1,500m additional tier 1 capital in June 2024 with an issuance cost of SG\$15m, and a further US\$2,500m additional tier 1 capital in September 2024 with an issuance cost of US\$25m. During 2023, an additional tier 1 capital instrument amounting to US\$1,000m was issued for which there were no issuance costs.

3 During 2024, an additional tier 1 capital instrument was redeemed at par (US\$2,000m).

4 During 2023, an additional tier 1 capital instrument was redeemed at fair value (US\$1,041m).

4 The other reserves mainly comprise share of associates' other reserves, purchase premium arising from transfer of business from fellow subsidiaries, property revaluation reserve relating to transfer of properties to a fellow subsidiary and the share-based payment reserve. The share-based payment reserve is used to record the amount relating to share awards and options granted to employees of the group directly by HSBC Holdings plc.

5 Including distributions paid on perpetual subordinated loans classified as equity under HKFRS.

6 The movements include transfers from retained earnings to other reserves in associates according to local regulatory requirements, and from the property revaluation reserve to retained earnings in relation to depreciation of revalued properties.

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