



FINAL TERMSHEET

Autocall Equity Index-linked Notes linked to a basket of indices due **Jun 2026** (the “**Securities**”) to be issued by CSI Financial Products Limited pursuant to the U.S.\$15,000,000,000 Global Securities Programme

This is a structured product which involves derivatives. Do not invest in it unless you fully understand and are willing to assume the risks associated with it. If you are in any doubt about the risks involved in the product, you may clarify with the intermediary or seek independent professional advice.

The principal amount of the Securities is at risk, and investors are subject to, amongst others, market risk, investment risk, and credit risk of the issuer and the guarantor. Investors may lose some, or in the worst case scenario, all of the principal amount invested in the Securities.

The Securities may only be offered in Hong Kong to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571 of The Laws of Hong Kong) and any rules made thereunder.

The Securities may not be offered or sold to any person in Singapore other than (i) to an institutional investor pursuant to Section 274 of the Securities and Futures Act 2001 of Singapore (“SFA”), (ii) to a relevant person pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Warning: The contents of this termsheet have not been reviewed by any regulatory authority of Hong Kong or any other jurisdiction. Investors are advised to exercise caution in relation to any offer. If an investor is in any doubt about any of the contents of this document, the investor should obtain independent professional advice.

This is a complex product. Investors should exercise caution when investing in this product.

PRODUCT:

Issuer:	CSI Financial Products Limited
Securities Guarantor:	CITIC Securities International Company Limited (with a long-term corporate credit rating of “BBB+” and a short-term corporate credit rating of “A-2” with no negative implications by S&P as of the Trade Date)
ISIN:	XS2797978173
Common Code:	279797817
Valoren:	135774886
Settlement Currency:	CHF
Aggregate Nominal Amount:	CHF 2,500,000
Issue Price:	100% of the Aggregate Nominal Amount
Bond floor at issuance	97.59% (Implied Yield p.a.: 1.23%)
Specified Denomination:	CHF 10,000
Minimum Transferable Number of Securities:	1

Redemption/Payment Basis: Equity Index-linked

DATES:

Trade Date: 12 Jun 2024

Issue Date: 19 Jun 2024

Final Valuation Date: 22 Jun 2026 or if such day is not a Basket Scheduled Trading Day, the next following Basket Scheduled Trading Day.

Maturity Date: 2 Business Days after the Final Valuation Date which is the last to occur, expected to be 24 Jun 2026, subject to early redemption in accordance with the "Autocall Provisions" below.

INDEX BASKET:

I	Index	Type of Index	Bloomberg code	Initial Level	Put Strike Level	Coupon Barrier Level	Knock-in Barrier Level	Required Exchanges
1	S&P/ASX 200	Single Exchange Index	AS51 Index	7749.7	7749.7000 (100% of Initial Price)	3874.8500 (50% of Initial Price)	3874.8500 (50% of Initial Price)	Not Applicable
2	Hang Seng Index	Single Exchange Index	HSI Index	18112.63	18112.6300 (100% of Initial Price)	9056.3150 (50% of Initial Price)	9056.3150 (50% of Initial Price)	Not Applicable
3	Nikkei 225	Single Exchange Index	NKY Index	38720.47	38720.4700 (100% of Initial Price)	19360.2350 (50% of Initial Price)	19360.2350 (50% of Initial Price)	Not Applicable
4	FTSE 100 Index	Single Exchange Index	UKX Index	8215.48	8215.4800 (100% of Initial Price)	4107.7400 (50% of Initial Price)	4107.7400 (50% of Initial Price)	Not Applicable

FIXED COUPON(S):

Coupon Amount:

If no event that may lead to the early redemption or termination of the Securities has occurred before the relevant Coupon Amount Determination Date (n), then in respect of each Security and on each relevant Coupon Amount Payment Date (n), the Issuer shall pay the holder of the Security an amount determined by the Calculation Agent in accordance with the formula below:

- (A) if the official closing level of the Worst Performing Index for such Coupon Amount Determination Date (n) is at or above its Coupon Barrier Level on such Coupon Amount Determination Date (n):

$$\text{Specified Denomination} \times \text{Coupon Rate}_n$$

Where,

"n" is a number from 1 to 24, and each iteration of "n" represents a Coupon Amount Determination Date; or

- (B) otherwise, zero amount.

Coupon Rate:

In respect of each Coupon Amount Determination Date (n), such rate as set out in the table under the "Coupon Amount Payment Date" provision below.

Coupon Barrier Level:

In respect of each Index (i) in the Index Basket, as specified in the table above.

Coupon Amount Determination Date:

Each date as set out in the table below, provided that if any such day is not a Basket Scheduled Trading Day, it shall be adjusted to the next following Basket Scheduled Trading Day.

Each Coupon Amount Determination Date shall be deemed to be a Valuation Date for the purposes of the Asset Terms and Conditions for Equity Index-linked Securities.

Coupon Amount Payment Date:

Each date as set out in the table below, provided that if any such day is not a Currency Business Day, it shall be adjusted to the next following Currency Business Day.

n	Coupon Rate _n	Coupon Amount Determination Date (n)	Coupon Amount Payment Date (n)
1	0.515%	2024-07-19	2024-07-23
2	0.515%	2024-08-19	2024-08-21
3	0.515%	2024-09-19	2024-09-24
4	0.515%	2024-10-21	2024-10-23
5	0.515%	2024-11-19	2024-11-21
6	0.515%	2024-12-19	2024-12-23
7	0.515%	2025-01-20	2025-01-22
8	0.515%	2025-02-19	2025-02-21
9	0.515%	2025-03-19	2025-03-24
10	0.515%	2025-04-22	2025-04-24
11	0.515%	2025-05-19	2025-05-21
12	0.515%	2025-06-19	2025-06-23
13	0.515%	2025-07-22	2025-07-24
14	0.515%	2025-08-19	2025-08-21
15	0.515%	2025-09-19	2025-09-24
16	0.515%	2025-10-20	2025-10-22
17	0.515%	2025-11-19	2025-11-21
18	0.515%	2025-12-19	2025-12-23
19	0.515%	2026-01-19	2026-01-21
20	0.515%	2026-02-20	2026-02-25
21	0.515%	2026-03-19	2026-03-24
22	0.515%	2026-04-20	2026-04-22
23	0.515%	2026-05-19	2026-05-21
24	0.515%	2026-06-22	2026-06-24

REDEMPTION:

Redemption Amount:

- (i) **Redemption Provisions:** Unless previously redeemed or purchased and cancelled and subject to the “Autocall Provisions” below, the Issuer shall redeem each Security at the Redemption Amount on the Maturity Date.

For the avoidance of doubt, if a Knock-out Event occurs on any Knock-out Observation Date (k) (which includes the Final Valuation Date), the Securities will

not be redeemed in accordance with these Redemption Provisions but will be redeemed in accordance with the “Autocall Provisions” below.

- (a) **Redemption Amount:** (A) In respect of each Security, if a Knock-in Event has ever occurred during the term of the Securities, an amount in the Settlement Currency calculated by the Calculation Agent in accordance with the following formula:

$$\text{Specified Denomination} \times \min\left(100\%, \frac{WO_{\text{Final}}}{WO_{\text{Strike}}}\right); \text{ or}$$

- (B) otherwise, an amount in the Settlement Currency calculated by the Calculation Agent in accordance with the following formula:

$$\text{Specified Denomination} \times 100\%$$

- (b) **Initial Level:** In respect of each Index (i) in the Index Basket, as specified in the table above.
- (c) **Final Level:** In respect of each Index (i) in the Index Basket, the official closing level of such Index (i) on the Final Valuation Date as calculated and published by the relevant Sponsor.
- (d) **Put Strike Level:** In respect of each Index (i) in the Index Basket, as specified in the table above.
- (e) **Relevant Level:** In respect of each Index (i) in the Index Basket and a Valuation Date, the official closing level of the Index on such Valuation Date as calculated and published by the relevant Sponsor.
- (f) **Valuation Date(s):** Each Basket Scheduled Trading Day during the period from (and excluding) the Trade Date to (and including) the Final Valuation Date.
- (g) **Final Worst Performing Index:** In respect of the Final Valuation Date and each Index (i) in the Index Basket, the Index in the Index Basket that has the lowest value on the Final Valuation Date as calculated based on the following formula:

$$\frac{\text{Final Level of the relevant Index (i)}}{\text{Initial Level of such Index (i)}}$$

If two or more of the Indices have the same value, the Calculation Agent shall select the Final Worst Performing Index in its sole discretion.

- (h) **Basket Scheduled Trading Day:** Each day which is a Scheduled Trading Day for all Indices in the Index Basket.
- (i) **WO_{Strike}:** The Put Strike Level of the Final Worst Performing Index.
- (j) **WO_{Final}:** The Final Level of the Final Worst Performing Index.
- (k) **Worst Performing Index:** In respect of a Valuation Date (other than the Final Valuation Date) and each Index (i) in the Index Basket, the Index in the Index Basket that has the lowest value on such Valuation Date as calculated based on the following formula:

$$\frac{\text{Relevant Level of the relevant Index (i) on such Valuation Date}}{\text{Initial Level of such Index (i)}}$$

If two or more of the Indices have the same value, the Calculation Agent shall select the Worst Performing Index in its sole discretion.

- (l) **Knock-in Event:** A Knock-in Event shall be deemed to have occurred if on any Valuation Date, the Relevant Level of the Worst Performing Index is below its Knock-in Barrier Level, as determined by the Calculation Agent.

(m) **Knock-in Barrier Level:** In respect of each Index (i) in the Index Basket, as specified in the table above.

(ii) **Autocall Provisions:** If a Knock-out Event has occurred on any Knock-out Observation Date (k), the Issuer shall redeem each Security at the Knock-out Redemption Amount on the Knock-out Redemption Date (k) corresponding to the Knock-out Observation Date (k) on which a Knock-out Event has first occurred.

(a) **Knock-out Redemption Amount:** In respect of each Security and a Knock-out Observation Date (k) on which a Knock-out Event has first occurred, an amount in the Settlement Currency calculated by the Calculation Agent in accordance with the following formula:

$$\text{Specified Denomination} \times 100\%$$

(b) **Knock-out Event:** A Knock-out Event shall be deemed to have occurred if on any Knock-out Observation Date (k), the Relevant Level of the Worst Performing Index for such Knock-out Observation Date (k) is at or above the applicable Knock-out Barrier Level (k) for such Worst Performing Index, as determined by the Calculation Agent.

(c) **Knock-out Observation Date:** As set out in the table below, provided that if any such day is not a Basket Scheduled Trading Day, it shall be adjusted to the next following Basket Scheduled Trading Day:

k	Knock-out Observation Date (k)	Knock-out Redemption Date (k)	Knock-out Barrier % (k)	Knock-out Barrier Level (k) for Index _i (i = 1)	Knock-out Barrier Level (k) for Index _i (i = 2)	Knock-out Barrier Level (k) for Index _i (i = 3)	Knock-out Barrier Level (k) for Index _i (i = 4)
1	2024-09-19	2024-09-24	100%	7749.7000	18112.6300	38720.4700	8215.4800
2	2024-10-21	2024-10-23	100%	7749.7000	18112.6300	38720.4700	8215.4800
3	2024-11-19	2024-11-21	100%	7749.7000	18112.6300	38720.4700	8215.4800
4	2024-12-19	2024-12-23	100%	7749.7000	18112.6300	38720.4700	8215.4800
5	2025-01-20	2025-01-22	100%	7749.7000	18112.6300	38720.4700	8215.4800
6	2025-02-19	2025-02-21	100%	7749.7000	18112.6300	38720.4700	8215.4800
7	2025-03-19	2025-03-24	100%	7749.7000	18112.6300	38720.4700	8215.4800
8	2025-04-22	2025-04-24	100%	7749.7000	18112.6300	38720.4700	8215.4800
9	2025-05-19	2025-05-21	100%	7749.7000	18112.6300	38720.4700	8215.4800
10	2025-06-19	2025-06-23	100%	7749.7000	18112.6300	38720.4700	8215.4800
11	2025-07-22	2025-07-24	100%	7749.7000	18112.6300	38720.4700	8215.4800
12	2025-08-19	2025-08-21	100%	7749.7000	18112.6300	38720.4700	8215.4800
13	2025-09-19	2025-09-24	100%	7749.7000	18112.6300	38720.4700	8215.4800
14	2025-10-20	2025-10-22	100%	7749.7000	18112.6300	38720.4700	8215.4800
15	2025-11-19	2025-11-21	100%	7749.7000	18112.6300	38720.4700	8215.4800

16	2025-12-19	2025-12-23	100%	7749.7000	18112.6300	38720.4700	8215.4800
17	2026-01-19	2026-01-21	100%	7749.7000	18112.6300	38720.4700	8215.4800
18	2026-02-20	2026-02-25	100%	7749.7000	18112.6300	38720.4700	8215.4800
19	2026-03-19	2026-03-24	100%	7749.7000	18112.6300	38720.4700	8215.4800
20	2026-04-20	2026-04-22	100%	7749.7000	18112.6300	38720.4700	8215.4800
21	2026-05-19	2026-05-21	100%	7749.7000	18112.6300	38720.4700	8215.4800
22	2026-06-22	2026-06-24	100%	7749.7000	18112.6300	38720.4700	8215.4800

Each Knock-out Observation Date (k) shall be deemed to be a Valuation Date for the purposes of the Asset Terms and Conditions for Equity Index-linked Securities, and is subject to postponement upon the occurrence of a Disrupted Day with respect to the Worst Performing Index.

- (d) **Knock-out Barrier Level:** In respect of a Knock-out Observation Date (k) and each Index (i) in the Index Basket, the level as set out in the table under the “Knock-out Observation Date” provision above.
- (e) **Knock-out Redemption Date:** The date corresponding to the relevant Knock-out Observation Date (k) on which a Knock-out Event has first occurred, as set out in the table under the “Knock-out Observation Date” provision above, provided that (i) if any such date is not a Currency Business Day, it shall be adjusted to the next following Currency Business Day, and (ii) if the corresponding Knock-out Observation Date (k) is postponed with respect to any Index in the Index Basket following the occurrence of a Disrupted Day, the relevant Knock-out Redemption Date (k) shall be postponed accordingly.

OTHER TERMS:

Disrupted Day and consequences of Disrupted Day:

Please refer to the Asset Terms and Conditions for Equity Index-linked Securities in the Base Programme Document for the definition of “Disrupted Day”. For the purpose of such definition, the Disruption Threshold shall be [20] per cent.

In the event that any Valuation Date is a Disrupted Day for any Index in the Index Basket, then such Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and such Valuation Date for each Index affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day for such Index that the Issuer determines is not a Disrupted Day relating to such Index (irrespective of whether that deferred Valuation Date is already or is deemed to be another Valuation Date for such Index), unless the Issuer determines that each of the eight consecutive Scheduled Trading Days for such Index immediately following such Scheduled Valuation Date is a Disrupted Day relating to that Index. In that case, (i) that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for such Index, notwithstanding the fact that such day is a Disrupted Day for such Index; and (ii) the Issuer shall determine the level of such Index as at the relevant Valuation Time (as defined in the Asset Terms and Conditions for Equity Index-linked Securities in the Base Programme Document) (the “Index Level”) on or in respect of that eighth Scheduled Trading Day in accordance with Asset Term 2.1(g) (Formula for and method of calculating an Index Level after the eighth Scheduled Trading Day) of the Asset Terms and Conditions for Equity Index-linked Securities in the Base Programme Document, and such determination by the Issuer shall be deemed to be the Index Level in respect of the Valuation Date for such Index.

Adjustment Events:

The Issuer may make such adjustment to the Securities as it may, in its sole and absolute discretion, determine to be appropriate, under a variety of conditions and/or circumstances set forth in the Asset Terms and Conditions for Equity Index-linked

Securities and this termsheet, such as, upon the occurrence of: (i) the calculation of the Index by a Successor Sponsor or replacement of the Index by the Successor Index, (ii) an Index Adjustment Event or an Additional Disruption Event; or (iii) a Jurisdictional Event or a subsequent correction of a published Index Level in respect of the Index. The Issuer has the sole and absolute discretion to make adjustment and determination as it considers appropriate and any such discretion exercised by the Issuer shall be binding on the investors. The Issuer will not take into account individual circumstances in exercising discretion.

Early Redemption:

The Issuer may early redeem the Securities prior to the Maturity Date upon notice to investors under a variety of conditions and/or circumstances set forth in the Base Programme Document (including the Asset Terms and Conditions for Equity Index-linked Securities) and this termsheet, such as (i) illegality in respect of its performance of its obligations under the Securities or any relevant hedging arrangements or upon the occurrence of a Tax Event or a Regulatory Event or (ii) upon the occurrence of an Index Adjustment Event or Additional Disruption Event (e.g. a Change in Law or a Hedging Disruption). If the Issuer elects to early redeem the Securities, each Security will be redeemed at the Early Payment Amount.

In addition, holders of the Securities may, by notice in writing given to the Fiscal Agent at its specified office, declare the Securities immediately due and payable in case of an Event of Default under the conditions and/or circumstances set forth in the Base Programme Document. Please refer to General Condition 8 of the Base Programme Document for more details.

Additional Disruption Events:

The following Additional Disruption Events are applicable: Change in Law, FX Disruption, Hedging Disruption and Increased Cost of Hedging.

GENERAL PROVISIONS:

Financial Centre(s):

Hong Kong, Sydney, Tokyo, London

Listing:

Not Applicable

Fiscal Agent:

China Construction Bank (Asia) Corporation Limited
3/F, CCB Tower
3 Connaught Road Central
Central, Hong Kong

Calculation Agent:

CITIC Securities International Capital Management Limited
中信證券國際資本管理有限公司

Clearing Agent:

Euroclear and Clearstream, Luxembourg

Issuing and Paying Agent:

China Construction Bank (Asia) Corporation Limited

Transfer Agent and Registrar:

China Construction Bank (Asia) Corporation Limited

Dealer:

CITIC Securities International Global Markets Limited
中信證券國際全球市場有限公司

Governing Law:

Hong Kong law

Final Documentation:

This termsheet is only an indicative summary of terms and conditions of the Securities. The terms and conditions applicable to the Securities are set out in the final terms to be issued in respect of the Securities on or around the Issue Date (the “**Final Terms**”) which supplements and amends, and accordingly should be read together with the terms and conditions in the Base Programme Document dated 22 December 2021 (as supplemented from time to time) relating to the Issuer’s Global Securities Programme (the “**Base Programme Document**”) (together with the Final Terms, the “**Final Documentation**”). In the event of any inconsistency between this termsheet and the Final Documentation, the Final Documentation will prevail.

A copy of the Base Programme Document is available on request.

General Selling Restrictions: No action has been or will be taken by the Issuer that would permit a public offering of any Securities or possession or distribution of any offering material in relation to any Securities in any jurisdiction where action for that purpose is required. Each purchaser of the Securities must observe all applicable laws and regulations in any jurisdiction in which it may offer, sell or deliver the Securities and it may not, directly or indirectly offer, sell, resell, reoffer or deliver any Securities in violation of any applicable laws and regulations or which would result in the issuance of the Securities becoming or being deemed to be a public offer.

Swiss Selling Restrictions: This document is not a key information document according to articles 58 et seqq. of the Federal Act on Financial Services of 15 June 2018 (SR 950.1; "FinSA") or any equivalent document under the FinSA. The product may not be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (Privatkundinnen und -kunden) pursuant to article 4 (2) FinSA ("Retail Clients").

Hong Kong Selling Restrictions: No person:

- (a) has offered or sold and will offer or sell in Hong Kong, by means of any document, any Securities except for Securities which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance 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 or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) has issued or had in its possession for the purposes of issue, or will 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 Securities, 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 Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Singapore Selling Restrictions: This document and the Base Programme Document have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Securities may not be offered or sold, nor may the Securities be the subject of an invitation for subscription or purchase, nor may this document, the Base Programme Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Securities be circulated or distributed, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 2001 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulation 2018 of Singapore.

US Selling Restrictions:

The Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or the securities laws of any state of the United States. Accordingly, the Securities may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act) except in certain transactions exempt from the registration requirements of the Securities Act.

Swiss Taxation:

The following Swiss tax considerations do not address the tax consequences of the Securities in any jurisdiction other than Switzerland. It does not constitute tax advice, is valid at the time of issuance and is not exhaustive. The relevant tax laws or the regulations of, and interpretations by tax authorities are subject to changes. The investor is advised to contact an independent tax consultant in respect to the Securities for further clarification of the investor's personal situation. The investor, irrespective of the tax jurisdiction, shall be liable for all current and future taxes and duties as a consequence of investment in the Securities.

The Securities should not be subject to Swiss withholding tax.

The interest component of the Securities (if any) is subject to income tax. Private capital gains on movable assets are generally tax-exempt in Switzerland.

The delivery of any Share under the Securities, if any, may be subject to securities transfer stamp tax at a rate of up to 0.15% in case of underlying shares issued by a Swiss issuer and of up to 0.30% in case of underlying shares issued by a non-Swiss issuer, provided, in both cases, that a Swiss securities dealer for purposes of securities transfer stamp tax, such as a Swiss bank, is involved as a party or an intermediary in the Securities purchase transaction and no exemption applies.

Tax:

A summary of the taxation information is set out in the Base Programme Document. The summary is intended only as a general guide to certain limited Hong Kong tax considerations and does not purport to be a complete analysis of all potential tax consequences relating to the Securities. The summary is intended to be for information purposes only. Prospective holders of Securities should obtain their own professional tax advice in all relevant jurisdictions about their particular tax treatment in relation to such Securities.

Fee Disclosure:

No fee is provided by the Issuer or the Dealer.

Risk Factors and Disclaimers

This termsheet is for private discussion purposes only and is not an offer or solicitation to sell or purchase any securities or an agreement, offer, solicitation of an offer or a commitment to underwrite, arrange, lend or to enter into any transaction. This termsheet is an indicative summary of some major terms and conditions of the Securities only and neither the Dealer (or any of its affiliates) nor the investors will be legally bound until both parties agree to enter into a transaction. All terms and conditions contained in this termsheet are subject to and will be superseded by the final documentation of the Securities which will prevail.

This is a structured product. Do not invest in it unless you fully understand and are willing to assume the risks associated with it. None of the Dealer and its affiliates is acting as a fiduciary for, or an adviser to, any investor in respect of the Securities. This termsheet is provided on the basis that you have the capability to make your own independent evaluation of the financial, market, legal, regulatory, credit, tax and accounting risks and consequences involved in the securities referred to in this termsheet and its suitability for your purposes and, to the extent permitted by applicable law, neither the Dealer nor any of its affiliates accepts any responsibility or liability in this regard. If you are in any doubt about any of the contents of this termsheet, you should obtain independent professional advice. If you are in any doubt about the risks involved in the product, you should clarify these with your sales representative or seek independent professional advice. None of the Dealer and its affiliates makes any representation as to the suitability or appropriateness of the Securities for any particular potential investor or as to the future performance of the Securities. No representation or warranty is made that any indicative performance or return indicated will be achieved in the future.

The Securities are NOT equivalent to time deposits and are NOT protected deposits and are NOT protected by any deposit protection scheme in Hong Kong or any other jurisdiction.

The risk factors below highlight only some of the risks of the Securities and must be read in conjunction with the risk factor sections in the Base Programme Document.

Credit risk: Investors in the Securities are exposed to the creditworthiness of the Issuer and the Securities Guarantor.

Limited liquidity: There can be no assurance as to how any Securities will trade in the secondary market or whether such market will be liquid or illiquid. No assurance can be given that there will be a market for any Securities.

The Issuer may, but is not obliged to, provide limited secondary market for the Securities. There may be no secondary market at all and holders of Securities may not be able to sell the Securities.

Volatility: The market value of the Securities will be affected by a number of factors independent of the creditworthiness of the Issuer and the Securities Guarantor, including but not limited to, the value and volatility of the underlying asset(s). The value of the Securities at redemption may be less, and can be substantially less, than the amount of the original investment. In extreme circumstances, investors may lose all of their initial investment.

Risks of investing in equity indices: The Securities are linked to a basket of equity indices. If the level of the relevant equity indices move against investors, investors will suffer losses. The performance of equity indices is unpredictable. It depends on financial, political, economic and other events as well as the earnings of issuer of shares underlying the relevant equity index, market position, risk situation, shareholder structure and distribution policy.

Capital at risk: Investors' investment amount is at risk. Investors may receive an amount substantially less than the capital invested or, in extreme circumstances, zero. Investors should not purchase the Securities unless they accept the risk of losing all of their initial investment.

Potential return is limited: Potential return on the Securities is limited. Investors should therefore consider whether they should invest in the Securities in view of limited return and the potential risks associated with the Securities.

No rights of ownership in an underlying asset: Investors should be aware that an underlying asset will not be held by the Issuer for the benefit of the holders of Securities and, as such, holders of Securities will have no rights of ownership with respect to any underlying asset referenced by such Securities.

Exchange rate risk: There may be an exchange rate risk in respect of Securities where the amount payable is converted from one currency to another. Fluctuation in foreign exchange rates, foreign political and economic developments or so may affect investors' investment return on the Securities.

Autocall/Early redemption risk: Under the terms of the Securities, if a Knock-out Event occurs on any Knock-out Observation Date (k), the Issuer shall redeem each Security at the Knock-out Redemption Amount on the Knock-out Redemption Date (k) corresponding to the Knock-out Observation Date (k) on which a Knock-out Event has first occurred. Upon the occurrence of a Knock-out Event, the Securities will be early redeemed at the Knock-out Redemption Amount per Security.

Adjustments, early redemption or cancellation of Securities: In certain circumstances, the Issuer may make adjustments to the terms of the Securities or redeem or cancel them at their Early Payment Amount as determined by it without the consent of the holders of Securities. Such Early Payment Amount may be less than the issue level of the Securities and could be as low as zero.

Risks related to adjustments: Unless otherwise specified in the relevant Final Terms, all calculations and determinations made by the Issuer or the Calculation Agent shall be made in good faith and in a commercially reasonable manner. The Issuer or the Calculation Agent will however not take into account individual circumstances in making the relevant determinations. Such calculation and determinations by the Issuer or the Calculation Agent will be binding on the investors.

Potential U.S. Withholding on Dividend Equivalent Payments: Under Section 871(m) of the U.S. Code and the U.S. Treasury regulations thereunder (“**Section 871(m)**”), a “dividend equivalent” payment is treated as a dividend from sources within the United States and will be subject to U.S. withholding tax at a rate of 30 per cent. when paid. A “dividend equivalent” payment generally includes a payment (or deemed payment) that is contingent upon, or determined by reference to, the payment of a U.S.-source dividend under certain financial instruments. An instrument whose economic characteristics are sufficiently similar to those of an underlying or referenced U.S. security that pays U.S.-source dividends under tests provided in applicable U.S. Treasury regulations will generally be subject to the Section 871(m) regime (such an instrument, a “**Specified ELI**”). The tests applicable for determining whether an instrument is a Specified ELI will depend on the terms of the relevant instrument and the date on which the instrument is issued, and may be subject to redetermination in connection with certain modifications of the instrument. Similarly, if additional Securities of the same series are issued (or deemed issued for U.S. tax purposes, such as certain sales of Securities out of inventory) after the original issue date, the U.S. Internal Revenue Service (“**IRS**”) could treat the issue date for determining whether the existing Securities are Specified ELIs as the date of such subsequent sale or issuance.

Pursuant to recent IRS guidance, Section 871(m) will not apply to certain financial instruments issued prior to 1 January 2025 if such financial instruments are not “delta one” transactions. With respect to financial instruments issued on or after 1 January 2025, a financial instrument will be a Specified ELI subject to Section 871(m) if such instrument has a delta of 0.8 or greater with respect to an underlying security. However, the Section 871(m) regulations provide certain broadly applicable exceptions to characterization as Specified ELIs, in particular for certain instruments linked to certain broad-based indices. The “delta” of a financial instrument is the ratio of the change in the fair market value of such instrument to the change in the fair market value of the property referenced by such instrument.

Withholding in respect of dividend equivalents will generally be required when cash payments are made under a Specified ELI or upon the date of maturity, lapse or other disposition of the Specified ELI. If the underlying or referenced U.S. security or securities are treated as paying dividends during the term of the Specified ELI, withholding generally will still be required even if the Specified ELI does not provide for payments explicitly linked to such dividends.

As discussed above, FATCA would impose withholding tax at a rate of 30 per cent. on any payments in respect of a Security that are treated as dividend equivalent payments when paid to persons that fail to meet certain certification, reporting, or related requirements. While a payment with respect to a Security could be subject to U.S. withholding under both FATCA and as a result of being treated as a dividend equivalent payment, the maximum rate of U.S. withholding on such payment would not exceed 30 per cent.

The Issuer has determined that the Securities are not Specified ELI at the time the Securities are issued. The Issuer’s determination is binding on holders of the Securities, but is not binding on the IRS. In the event that any withholding would be required pursuant to Section 871(m) with respect to payments on the Securities, no person will be required to pay any additional amounts with respect to amounts so withheld. Additionally, the Issuer may withhold the full 30 per cent. tax on any payment on the Securities in respect of any dividend equivalent arising with respect to such Securities regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law (including, for the avoidance of doubt, where a holder of the Securities is eligible for a reduced tax rate under an applicable tax treaty with the United States). A holder of the Securities may be able to claim a credit against its U.S. federal income tax liability for such withholding and may be entitled to a refund of any excess withholding, provided the required information is timely furnished to the IRS. However, holders of the Securities may not receive the necessary information to properly claim a refund.

Prospective investors should consult their tax advisers regarding the consequences to them of the potential application of Section 871(m) to the Securities.

APPENDIX 1

DEEMED REPRESENTATION BY THE HOLDER OF BENEFICIAL INTEREST OF THE SECURITIES

1. General representation and undertakings

Each purchaser or acquirer of the Securities or of an interest in the Securities will, by its purchase or acquisition of the Securities or the interest of the Securities, be deemed to acknowledge, represent, undertake and agree as follows (terms used in this Appendix 1 shall have the same meaning given to them in the Final Terms and the General Conditions of the Securities):

1. its purchase, acquisition and holding of the Securities or interest of the Securities are (i) in compliance with all applicable laws and regulations, including but not limited to, the selling restrictions under the applicable securities laws and anti-money laundering, counter-terrorist financing and sanctions laws and regulations; (ii) not in violation of its constitutional documents; and (iii) not in breach of any agreement to which it or any of its assets are subject;
2. it understands the nature and risks of investing in the Securities and the Securities may be redeemed at an amount which may be worth substantially less than the amount of capital invested in the Securities and in the worst case may be zero and the market value of the Securities linked to the Index may be adversely affected by movements in the price of the underlying shares constituting the Index or general market conditions;
3. it is a “professional investor” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance of Hong Kong and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits of, the risks inherent in, and the suitability of an investment in the Securities;
4. it understands that the Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons as defined in Regulation S under the Securities Act (the “**U.S. Person**”) except pursuant to an exemption from the registration requirements of the Securities Act;
5. it is not a U.S. person and it is acquiring the Securities in an “offshore transaction” in reliance on Regulation S (as such term is defined in Regulation S of the Securities Act); and
6. it is not in criminal or civil breach of any market abuse or insider dealing law, regulation or regime applicable to it and is not in possession of any material non-public information concerning the business, operations or prospects of any issuer of any Share, and was not, and shall not be, in possession of any such information at the time of purchasing the Securities, at the time of placing any order and anytime thereafter throughout the term of the Securities.