PUBLICATION OF THE INFORMATION MEMORANDUM

BAUHINIA ILBS 2 LIMITED (the "Issuer")

(A public company limited by shares incorporated under the laws of Hong Kong)

US$107,000,000 Class A1-SU Senior Secured Floating Rate Notes due October 2044 (the "Class A1-SU Notes")

(Stock Code: 5187)

US$209,500,000 Class A1 Senior Secured Floating Rate Notes due October 2044 (the "Class A1 Notes")

(Stock Code: 5188)

US$34,000,000 Class B Senior Secured Floating Rate Notes due October 2044 (the "Class B Notes")

(Stock Code: 5189)

US$20,500,000 Class C Senior Secured Floating Rate Notes due October 2044 (the "Class C Notes")

(Stock Code: 5192)

US$15,700,000 Class D Senior Secured Floating Rate Notes due October 2044 (the "Class D Notes" and, together with the Class A1-SU Notes, the Class A1 Notes, the Class B Notes and the Class C Notes, the "Notes")
(Stock Code: 5193)

Sole Global Coordinator

Standard Chartered

Joint Bookrunners

CICC **ING**

MUFG **Natixis** **Standard Chartered**

Co-Managers

Fubon Bank **Korea Investment & Securities Co., Ltd.**

This announcement is issued pursuant to Rule 37.39A of the Listing Rules.

Please refer to the information memorandum dated 6 September 2024 in relation to the issue of the Notes (the "**Information Memorandum**") appended herein. As disclosed in the Information Memorandum, the Notes are intended for purchase by Professional Investors only and have been listed on the Hong Kong Stock Exchange on that basis.

The Information Memorandum does not constitute a prospectus, notice, circular, brochure or advertisement offering to sell any securities to the public in any jurisdiction, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it circulated to invite offers by the public to subscribe for or purchase any securities.

The Information Memorandum must not be regarded as an inducement to subscribe for or purchase any securities of the Issuer, and no such inducement is intended.

Hong Kong, 12 September 2024

As at the date of this announcement, the directors of Bauhinia ILBS 2 Limited are ABBOTT, Giles David Cameron, HUANG, Meng and YU, Wing Sum.

Appendix

Information Memorandum dated 6 September 2024

IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT)

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached Information Memorandum. You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached Information Memorandum. In accessing the attached Information Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Confirmation of Your Representation: This Information Memorandum is being sent to you at your request, and, by accepting the email and accessing the attached Information Memorandum, you shall be deemed to represent to Standard Chartered Bank (the "**Sole Global Coordinator**"), China International Capital Corporation Hong Kong Securities Limited, ING Bank N.V., Singapore Branch, MUFG Securities Asia Limited, Natixis Hong Kong Branch and Standard Chartered Bank (each a "**Joint Bookrunner**", and together the "**Joint Bookrunners**") that (1) you and any account or investor you represent are not located in the United States of America, its territories and possessions, any state of the United States or the District of Columbia, you are not, and are not acting for the account or benefit of, a U.S. person, as defined in Regulation S under the United States Securities Act of 1933, as amended (the "**Securities Act**") or a Risk Retention U.S. Person (defined below), and "possessions" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands, and the email attaching this Information Memorandum has been delivered to a recipient who is not located in the United States, its territories or possessions, and (2) you consent to delivery of the attached Information Memorandum and any amendments or supplements thereto by electronic transmission.

The attached Information Memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission, and consequently none of the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Sponsor, the Collateral Manager, the Collateral Manager Related Party, the Retention Holder, HKMC or the Trustee (each as defined in the attached Information Memorandum) or their affiliates, directors, officers, employees, representatives, agents and each person who controls any of them or their respective affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version. A hard copy version will be provided to you upon request.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES (THE "**NOTES**") DESCRIBED HEREIN HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION. THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON, UNLESS REGISTERED UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM SUCH REGISTRATION. THIS OFFERING IS MADE SOLELY IN OFFSHORE TRANSACTIONS PURSUANT TO REGULATION S. UNLESS OTHERWISE NOTED, TERMS USED IN THIS PARAGRAPH HAVE THE DEFINITIONS ASCRIBED TO THEM IN REGULATION S.

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE ISSUER AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY RULE 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "**U.S. PERSON**" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**RISK RETENTION U.S. PERSONS**"). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "**U.S. PERSON**" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "**U.S. PERSON**" IN REGULATION S. EACH PURCHASER OF NOTES, INCLUDING BENEFICIAL INTERESTS THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) IS NOT A RISK RETENTION U.S. PERSON (UNLESS IT HAS OBTAINED A PRIOR WRITTEN CONSENT OF THE ISSUER), (2) IS ACQUIRING SUCH NOTES OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTES, AND (3) IS NOT ACQUIRING SUCH NOTES OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES.

THIS INFORMATION MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY PERSON OR ADDRESS IN THE UNITED STATES. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Sponsor, the Collateral Manager, Collateral Manager Related Party, Retention Holder, HKMC or the Trustee to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute directed selling efforts (within the meaning of Regulation S). If a jurisdiction requires that the offering be made by a licensed broker or dealer, the Sole Global Coordinator or any Joint Bookrunner, or any affiliate of theirs is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Sole Global Coordinator or such Joint Bookrunner, or any such affiliate on behalf of the Issuer in such jurisdiction.

You are reminded that you have accessed the attached Information Memorandum on the basis that you are a person into whose possession this Information Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you are not allowed to purchase any of the securities described in the attached.

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YOU ARE NOT AUTHORISED TO AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED INFORMATION MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH INFORMATION MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

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STRICTLY CONFIDENTIAL
INFORMATION MEMORANDUM DATED 6 SEPTEMBER 2024

BAUHINIA ILBS 2 LIMITED

(A public company limited by shares incorporated under the Companies Ordinance of Hong Kong with Business Registration No. 76495803 and Legal Entity Identifier 254900VG4GFEAM9F1F86)

US$107,000,000 CLASS A1-SU SENIOR SECURED FLOATING RATE NOTES DUE OCTOBER 2044 (the "Class A1-SU Notes")

US$209,500,000 CLASS A1 SENIOR SECURED FLOATING RATE NOTES DUE OCTOBER 2044 (the "Class A1 Notes")

US$34,000,000 CLASS B SENIOR SECURED FLOATING RATE NOTES DUE OCTOBER 2044 (the "Class B Notes")

US$20,500,000 CLASS C SENIOR SECURED FLOATING RATE NOTES DUE OCTOBER 2044 (the "Class C Notes")

US$15,700,000 CLASS D SENIOR SECURED FLOATING RATE NOTES DUE OCTOBER 2044 (the "Class D Notes")

US$36,591,000 SUBORDINATED SECURED FLOATING RATE NOTES DUE OCTOBER 2044 (the "Subordinated Notes")

This Information Memorandum is for the purposes of offering the Notes (as defined herein) to be issued by Bauhinia ILBS 2 Limited (the "**Issuer**"), subject to the terms and conditions in this Information Memorandum.

The Hong Kong Mortgage Corporation Limited ("**HKMC**") is the Sponsor and also acts as the Collateral Manager and Retention Holder in connection with the issuance of the Notes (respectively, the "**Sponsor**", the "**Collateral Manager**" and the "**Retention Holder**"). The Transaction Administrator is Deutsche Bank AG, Hong Kong Branch (the "**Transaction Administrator**").

Application will be made to The Stock Exchange of Hong Kong Limited (the "**SEHK**") for the listing of, and permission to deal in the Class A1-SU Notes (as defined above), the Class A1 Notes (as defined above), the Class B Notes (as defined above), the Class C Notes (as defined above) and the Class D Notes (as defined above). This document is for distribution to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) (the "**Professional Investors**") only.

Notice to Hong Kong investors: The Issuer confirms that the Rated Notes (as defined herein) are intended for purchase by Professional Investors only and will be listed on the SEHK on that basis. Accordingly, the Issuer confirms that the Rated Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

The SEHK has not reviewed the contents of this document, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this document to Professional Investors only have been reproduced in this document. Listing of the Rated Notes on the SEHK is not to be taken as an indication of the commercial merits or credit quality of the Rated Notes or the Issuer, the Sponsor or the Group or quality of disclosure in this document. Hong Kong Exchanges and Clearing Limited and the SEHK take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

Potential investors should be aware that the Notes are complex asset backed financial instruments and may not be suitable for all investors. Investing in the Notes involves substantial risk. The payment on a junior class of Notes will be subordinated to the payment on each class of Notes ranking senior to such class of Notes. The "*Risk Factors*" section contains details of certain risks and other factors that should be given particular consideration before investing in the notes. Potential investors should be aware of the issues summarised within that section.

The Class A1-SU Notes, the Class A1 Notes, the Class B Notes, the Class C Notes and the Class D Notes (collectively, the "**Rated Notes**") and the Subordinated Notes (together with the Rated Notes, the "**Notes**") will be issued and secured pursuant to a trust deed (the "**Trust Deed**") dated on or about 11 September 2024 (the "**Closing Date**") and a Hong Kong law governed security deed dated on or about the Closing Date (the "**Hong Kong Security Deed**"), each made between (among others) the Issuer and DB Trustees (Hong Kong) Limited as trustee (the "**Trustee**"). The issue price of each Class of Notes will be 100.0 per cent. of their principal amount. The Subordinated Notes are not being offered hereby and will not be rated.

The Notes will be obligations solely of the Issuer and will not be the obligations of, or guaranteed or insured by, or be the responsibility of, any other entity. In particular, the Notes will not be obligations of, and will not be guaranteed or insured by any of the Sponsor, the Collateral Manager, the Collateral Manager Related Party, the Retention Holder, HKMC, the Sole Global Coordinator, the Joint Bookrunners, the Originating Banks or the Trustee (each as defined herein) or any of their respective Associates (as defined herein).

Interest on the Notes will be payable semi-annually on 19 April and 19 October of each year (or, following the occurrence of a Payment Frequency Switch Event, quarterly), scheduled to commence on 19 April 2025 and ending on the Maturity Date (as defined below) in accordance with the Priorities of Payments described herein.

The Notes will be subject to Optional Redemption, Mandatory Redemption and Special Redemption, each as described herein. See Condition 7 (*Redemption and Purchase*) of the Conditions (as defined herein).

The Notes are limited recourse obligations of the Issuer which are payable solely out of amounts received by or on behalf of the Issuer in respect of the Collateral (as defined herein). The net proceeds of the realisation of the security over the Collateral upon acceleration of the Notes following a Note Event of Default (as defined herein) may be insufficient to pay all amounts due on the Notes after making payments to other creditors of the Issuer ranking prior thereto or *pari passu* therewith. In the event of a shortfall in such proceeds, the Issuer will not be obliged to pay, and the other assets of the Issuer will not be available for payment of, such shortfall, all claims in respect of which shall be extinguished, and the Noteholders will have no direct recourse to the Collateral. See Condition 4 (*Security*) of the Conditions.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered, sold or otherwise transferred 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 ("**Regulation S**")), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold by the Sole Global Coordinator and the Joint Bookrunners (as defined herein) only outside the United States to persons that are not, and are not acting for the account or benefit of, U.S. persons in accordance with Regulation S.

Except with the prior written consent of the Issuer and where such sale falls within the exemption provided by Rule 20 of the U.S. Risk Retention Rules, the Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any "**U.S. Person**" as defined in the U.S. Risk Retention Rules ("**Risk Retention U.S. Persons**"). Prospective investors should note that the definition of "**U.S. Person**" in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of "**U.S. Person**" in Regulation S. Each purchaser of Notes, including beneficial interests therein, will be deemed to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person (unless it has obtained a prior written consent of the Issuer), (2) is acquiring such Notes or a beneficial interest therein for its own account and not with a view to distributing such Notes, and (3) is not acquiring such Notes or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

For a description of certain restrictions on resale or transfer, see the section entitled "*Subscription and Sale – Selling Restrictions*" of this Information Memorandum.

Sole Global Coordinator

standard chartered

Joint Bookrunners

CICC 中金公司

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MUFG

NATIXIS CORPORATE AND INVESTMENT BANKING

standard chartered

Co-Managers

Fubon Bank 富邦銀行

true friend

Korea Investment & Securities Co., Ltd.

The date of this Information Memorandum is 6 September 2024

The Notes are complex financial instruments and may not be suitable for all investors. Investing in the Notes involves substantial risk. Potential investors should not invest in the Notes unless they understand the terms and risks of the Notes and are able to bear the economic consequences of an investment in the Notes. In making an investment decision, potential investors must rely on their own examination of the Issuer and the Portfolio (as defined herein), and the terms and conditions of the Notes. By receiving this Information Memorandum, potential investors acknowledge that (i) they have been afforded an opportunity to request and to review, and have received, all information that investors consider necessary to verify the accuracy of, or to supplement, the information contained in this Information Memorandum, (ii) they have not relied on the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Retention Holder, HKMC, the Transaction Administrator, the Trustee or the Agents (each as defined herein), nor any of their Affiliates (as defined herein), directors, officers, employees, representatives, agents and each Person who controls any of them or their respective Affiliates (the "**Associates**") in connection with their investigations of the accuracy of any information in this Information Memorandum or their investment decision, (iii) no Person has been authorised to give any information or to make any representation concerning the issue or sale of the Notes, the Issuer, the Sponsor, the Collateral Manager, the Retention Holder, the Collateral Manager Related Party, HKMC, the Transaction Administrator or the Portfolio other than as contained in this Information Memorandum and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Retention Holder, HKMC, the Transaction Administrator, the Trustee or the Agents and (iv) none of the Sponsor, the Collateral Manager, the Collateral Manager Related Party, the Retention Holder, HKMC or the Transaction Administrator is the primary debtor, guarantor or surety for any indebtedness or any other obligations of the Issuer arising under any provision of the Transaction Documents (as defined herein) or the Notes.

Neither the delivery of this Information Memorandum nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer, the Portfolio or in any statement of fact or information contained in this Information Memorandum since the date hereof or the date upon which this Information Memorandum has been most recently amended or supplemented, or that there has been no adverse change in the financial position of the Issuer or the Portfolio since the date hereof or the date upon which this Information Memorandum has been most recently amended or supplemented, or that any other information supplied in connection with the offering of the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This Information Memorandum includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer, the Sponsor and the Group.

The Issuer accepts full responsibility for the accuracy of the information contained in this document and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading. HKMC accepts responsibility for the information contained in the sections entitled "*Overview of the Transaction*" (to the extent relating to HKMC), "*Risk Factors — Risks relating to the Issuer and the Collateral Manager — The Sponsor and the Collateral Manager may be subject to certain conflicts of interest as a result of their advisory, investment and other business activities*" (to the extent relating to HKMC), "*Risk Retention Requirements*" and "*Description of the Sponsor and the Collateral Manager*" of this Information Memorandum (collectively, the "**Sponsor and Collateral Manager Information**"). To the best of the knowledge and belief of HKMC (which has taken all reasonable care to ensure that such is the case in all respects), such information is in accordance with the facts and does not omit anything likely to affect the import of such information in any respect. The Transaction Administrator accepts responsibility for the information contained in the section entitled "*Description of the Transaction Administrator*" of this

Information Memorandum. To the best of the knowledge and belief of the Transaction Administrator (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Except for the Sponsor and Collateral Manager Information in the case of the Sponsor, the Retention Holder, the Collateral Manager Related Party, HKMC and the Collateral Manager, and for the section entitled "*Description of the Transaction Administrator*" of this Information Memorandum, in the case of the Transaction Administrator, each of the Sponsor, the Collateral Manager, the Collateral Manager Related Party, the Retention Holder, HKMC and the Transaction Administrator does not accept any responsibility for the accuracy and completeness of any information contained in this Information Memorandum. The delivery of this Information Memorandum at any time does not imply that the information herein is correct at any time subsequent to the date of this Information Memorandum.

None of the Sole Global Coordinator, the Joint Bookrunners, HKMC (in each of its capacities in connection with the Notes), any Collateral Manager Related Party, the Transaction Administrator (save in respect of the section entitled "*Description of the Transaction Administrator*" of this Information Memorandum), the Trustee, the Agents or any other party or any of their Affiliates has separately verified the information contained in this Information Memorandum and, accordingly, to the fullest extent permitted by law, none of the Sole Global Coordinator, the Joint Bookrunners, the Sponsor (save as specified above), the Collateral Manager (save as specified above), any Collateral Manager Related Party, Retention Holder (save as specified above), the HKMC (save as specified above), the Transaction Administrator (save as specified above), the Trustee, the Agents or any other party or any of their Affiliates (save for the Issuer as specified above) makes any representation, express or implied, or accepts any responsibility whatsoever for the Notes, the Transaction Documents (including the effectiveness thereof) or the contents of this Information Memorandum, with respect to the accuracy or completeness of any of the information in this Information Memorandum or for any statement made or purported to be made by the Sole Global Coordinator, the Joint Bookrunners, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Retention Holder, HKMC, the Transaction Administrator, the Trustee, the Agents or on their behalf in connection with the Issuer, the Portfolio or the issue and offering of the Notes. Each of the Sole Global Coordinator, the Joint Bookrunners, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Retention Holder, HKMC, the Transaction Administrator, the Trustee and the Agents accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of the Notes, the Transaction Documents or this Information Memorandum or any such statement. None of this Information Memorandum, any other financial statements or information supplied in connection with the offering of the Notes is intended to provide the basis of any credit or other evaluation, and should not be considered as a recommendation by the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Retention Holder, HKMC, the Transaction Administrator, the Trustee or the Agents that any recipient of this Information Memorandum or any other person should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Information Memorandum, and its purchase of Notes should be based upon such investigation as it deems necessary.

This Information Memorandum does not constitute an offer, solicitation or invitation to subscribe for and/or purchase the Notes in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful or is not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. The distribution of this Information Memorandum and the offering of the Notes in certain jurisdictions may be restricted by law. No action has been taken by the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Retention Holder, HKMC, the Transaction Administrator, the Trustee or the Agents which is intended to permit a public offering of any Notes or distribution of this Information Memorandum in any jurisdiction where action for such public offering is required. Accordingly, no Notes

may be offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement, offering, publicity or other material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Information Memorandum comes are required by the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Retention Holder, HKMC, the Transaction Administrator, the Trustee or the Agents to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of the Notes and distribution of this Information Memorandum, see the section entitled "*Subscription and Sale*" of this Information Memorandum.

The Notes have not been and will not be registered under the Securities Act, and may not be offered, sold or otherwise transferred within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold by the Sole Global Coordinator, the Joint Bookrunners only outside the United States to persons that are not, and are not acting for the account or benefit of, U.S. persons in accordance with Regulation S. For a description of certain restrictions on resale or transfer, see the section entitled "*Subscription and Sale — Selling Restrictions*" of this Information Memorandum.

IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

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

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

Prospective investors should ensure, and by placing an order, prospective investors are deemed to confirm, that orders placed are *bona fide*, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Joint Bookrunner, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Joint Bookrunner or its group company has more than a 50 per cent. interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a "proprietary order". If a prospective investor is otherwise affiliated with any Joint Bookrunner, such that its order may be considered to be a "proprietary order" (pursuant to the Code), such prospective investor should indicate to the relevant Joint Bookrunner when placing such

order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to this offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to this offering.

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

NOTICE TO RESIDENTS OF THE EUROPEAN ECONOMIC AREA

This Information Memorandum has been prepared on the basis that any offer of Notes in any member state of the European Economic Area (the "**EEA**") will be made pursuant to an exemption under Regulation (EU) No 2017/1129 (as amended, the "**Prospectus Regulation**") from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in a Member State of the EEA of Notes that are the subject of an offering contemplated in this Information Memorandum may only do so in circumstances in which no obligation arises for the Issuer or the Sole Global Coordinator and the Joint Bookrunners to publish a prospectus pursuant to the Prospectus Regulation in relation to such offer. This Information Memorandum is not a prospectus for the purpose of the Prospectus Regulation.

Prohibition of Sale to EEA Retail Investors — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "**retail investor**" means a person who is one (or more) of:

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

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

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

This Information Memorandum has been sent to you in the belief that you are (a) a person in member states of the EEA that is a "qualified investor" within the meaning of Article 2(e) of the Prospectus Regulation and (b) a person to whom the document can be sent lawfully in accordance with all other applicable securities laws. If this is not the case then you must return the document immediately.

EU MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering,

selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

THE NOTES MUST NOT BE OFFERED OR SOLD AND THE DISTRIBUTION OF THIS INFORMATION MEMORANDUM AND ANY OTHER DOCUMENT IN CONNECTION WITH THE OFFERING AND ISSUANCE OF THE NOTES MUST NOT BE ISSUED OR PASSED ON TO PERSONS IN THE UNITED KINGDOM EXCEPT TO PERSONS WHO: (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE PERSONS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("**FSMA**") (FINANCIAL PROMOTION) ORDER 2005 (THE "**ORDER**"); OR (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2) OF THE ORDER OR (III) ARE PERSONS TO WHOM THIS INFORMATION MEMORANDUM OR ANY OTHER SUCH DOCUMENT MAY OTHERWISE LAWFULLY BE ISSUED OR PASSED ON (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

A PERSON WHO IS NOT A RELEVANT PERSON SHOULD NOT ACT OR RELY ON THIS INFORMATION MEMORANDUM OR ANY OF ITS CONTENTS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS INFORMATION MEMORANDUM RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

RELEVANT PERSONS SHOULD NOTE THAT ALL, OR MOST, OF THE PROTECTIONS OFFERED BY THE UNITED KINGDOM REGULATORY SYSTEM WILL NOT APPLY TO AN INVESTMENT IN THE OFFERED NOTES AND THAT COMPENSATION WILL NOT BE AVAILABLE UNDER THE UNITED KINGDOM FINANCIAL SERVICES COMPENSATION SCHEME.

This Information Memorandum has been prepared on the basis that any offer of Notes in the United Kingdom will be made pursuant to an exemption under Regulation (EU) No 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the "**UK Prospectus Regulation**") from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in the United Kingdom of Notes that are the subject of an offering contemplated in this Information Memorandum may only do so in circumstances in which no obligation arises for the Issuer or the Sole Global Coordinator and the Joint Bookrunners to publish a prospectus pursuant to the UK Prospectus Regulation in relation to such offer. This Information Memorandum is not a prospectus for the purpose of the UK Prospectus Regulation.

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

UK MiFIR product governance/Professional investors and ECPs only target market — Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to UK MiFIR is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

In this Information Memorandum, unless otherwise specified or the context otherwise requires, all references to "**US Dollar**", "**US dollar**", "**USD**" or "**US$**" shall mean the lawful currency of the United States of America and all references to "**Renminbi**"shall mean the lawful currency of the People's Republic of China (the "**PRC**", which for the purpose of this Information Memorandum, does not include the Hong Kong and Macau Special Administrative Regions or Taiwan).

NOTICE TO INVESTORS IN HONG KONG

IN HONG KONG, THIS INFORMATION MEMORANDUM IS ONLY BEING DISTRIBUTED TO AND IS DIRECTED ONLY (1) TO "PROFESSIONAL INVESTORS" AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE (CAP. 571 OF THE LAWS OF HONG KONG) ("**SECURITIES AND FUTURES ORDINANCE**") AND ANY RULES MADE UNDER THE SECURITIES AND FUTURES ORDINANCE OR (2) 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 THE LAWS OF HONG KONG) ("**COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**") OR WHICH DO NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE.

EU SECURITISATION REGULATION

The Retention Holder will undertake to retain a material net economic interest in the securitisation transaction described in this Information Memorandum that is proposed to be retained in accordance with Article 6(3)(d) of Regulation (EU) No 2017/2402 (as amended and together with any regulatory and implementing technical standards supplementing such regulation from time to time and official guidance related thereto, the "**EU Securitisation Regulation**"), by means of its retaining ownership of the Subordinated Notes in an amount not less than five per cent. of the Principal Balance of the Infra Loan Obligations, and the Retention Holder will give certain other covenants and representations, all in the manner, and on the terms, summarised in this Information Memorandum. The Quarterly Reports and the Payment Date Reports will include a statement as to the receipt by the Issuer and the Transaction Administrator of a confirmation from the Retention Holder as to the holding of the Subordinated Notes, which confirmation the Retention Holder will undertake to provide to the Issuer and the Transaction Administrator on a semi-annual basis so that such confirmation can be included in the Quarterly Report or the Payment Date Report, as applicable. The Issuer shall be the designated entity for the purpose of Article 7(2) of the EU Securitisation Regulation and HKMC, in its capacity as Collateral Manager only, will, on behalf of the Issuer, undertake to use reasonable endeavours to make available to Noteholders and potential investors such additional information as is required to be made available on an ongoing basis pursuant to Articles 7(1)(a), (e), (f) and (g) of the EU Securitisation Regulation. Each prospective investor in the Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction is sufficient to comply with the EU Securitisation Regulation or any other applicable legal, regulatory or other requirements.

Notwithstanding anything in this Information Memorandum to the contrary, none of the Issuer, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, HKMC, the Retention Holder, the Sole Global Coordinator, the Joint Bookrunners, the Transaction Administrator, the Trustee, their respective Affiliates, corporate officers or professional advisers or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose, and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the EU Securitisation Regulation, the implementing provisions in respect of the EU Securitisation Regulation in their relevant jurisdiction or any other applicable legal, regulatory or other requirements other than, in the case of the Retention Holder and in such respect only for the benefit of the addressees of the Risk Retention Letter in accordance with the terms thereof, where such failure results from a breach of the Risk Retention Letter (as defined in the terms and conditions of the Notes) by the Retention Holder. Each prospective investor in the Notes which is subject to the EU Securitisation Regulation or any other regulatory requirement should consult with its own legal, accounting, regulatory and other advisers and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain. See the section entitled "*Risk Factors — Regulatory risks relating to the Notes — Securitisation Regulation Risk Retention and Due Diligence Requirements*" below of this Information Memorandum.

UK SECURITISATION REGULATION

The Retention Holder will undertake to retain a material net economic interest in the securitisation transaction described in this Information Memorandum that is proposed to be retained in accordance with Article 6(3)(d) of Regulation (EU) No 2017/2402 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"), including any relevant binding technical standards, regulations, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the Financial Conduct Authority of the UK ("**FCA**"), the Bank of England, the Prudential Regulation Authority, the Pensions Regulator or other relevant UK regulator (or their successors) in relation thereto (the "**UK Securitisation Regulation**"), by means of its retaining ownership of the Subordinated Notes in an amount not less than five per cent. of the Principal Balance of the Infra Loan Obligations, and the Retention Holder will give certain other covenants and representations, all in the manner, and on the terms, summarised in this Information Memorandum. The Quarterly Reports and the Payment Date Reports will include a statement as to the receipt by the Issuer and the Transaction Administrator of a confirmation from the Retention Holder as to the holding of the Subordinated Notes, which confirmation the Retention Holder will undertake to provide to the Issuer and the Transaction Administrator on a semi-annual basis so that such confirmation can be included in the Quarterly Report or the Payment Date Report, as applicable. The Issuer shall be the designated entity for the purpose of Article 7(2) of the UK Securitisation Regulation and HKMC, in its capacity as Collateral Manager only, will, on behalf of the Issuer, also undertake to use reasonable endeavours to make available to Noteholders and potential investors such additional information as is required to be made available on an ongoing basis pursuant to Articles 7(1)(a), (e), (f) and (g) of the UK Securitisation Regulation. Each prospective investor in the Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction is sufficient to comply with the UK Securitisation Regulation or any other applicable legal, regulatory or other requirements.

Notwithstanding anything in this Information Memorandum to the contrary, none of the Issuer, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, HKMC, the Retention Holder, the Sole Global Coordinator, the Joint Bookrunners, the Transaction Administrator, the Trustee, their respective Affiliates, corporate officers or professional advisers or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose, and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the UK Securitisation Regulation, the implementing provisions in respect of the UK Securitisation Regulation in their relevant jurisdiction or any other

applicable legal, regulatory or other requirements other than, in the case of the Retention Holder and in such respect only for the benefit of the addressees of the Risk Retention Letter in accordance with the terms thereof, where such failure results from a breach of the Risk Retention Letter (as defined in the terms and conditions of the Notes) by the Retention Holder. Each prospective investor in the Notes which is subject to the UK Securitisation Regulation or any other regulatory requirement should consult with its own legal, accounting, regulatory and other advisers and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain. See the section entitled "*Risk Factors — Regulatory risks relating to the Notes — Securitisation Regulation Risk Retention and Due Diligence Requirements*" below of this Information Memorandum.

VOLCKER RULE

Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act added a new Section 13 to the Bank Holding Company Act of 1956 (together with the final rules and regulations promulgated thereunder, the "**Volcker Rule**"). The Volcker Rule generally prohibits "**banking entities**" (which are broadly defined to include US banks, bank holding companies and foreign banking organisations, together with their respective subsidiaries and other affiliates) from engaging in proprietary trading, acquiring or retaining an "ownership interest" in, or sponsoring or entering into certain relationships with, a "covered fund", subject to certain exemptions and exclusions. A "**covered fund**" is defined in the Volcker Rule as any entity that would be an investment company but for the exemptions provided by Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act. Because the Issuer will rely on Section 3(c)(7), absent an exclusion, it would be deemed to be a "covered fund" within the meaning of the Volcker Rule. The Issuer intends to be qualified for the "loan securitization" exclusion set forth in the Volcker Rule. Such exclusion applies to asset-backed security issuers the assets of which, in general, consist only of loans and assets or rights (including certain types of securities) designed to assure the servicing or timely distribution of proceeds to holders or that are related or incidental to purchasing or otherwise acquiring and holding the loans. An issuer relying on the loan securitization exclusion is not permitted to own securities other than certain "cash equivalents", bonds in an amount not exceeding 5 per cent. of the total assets of the issuer and securities "received in lieu of debts previously contracted with respect to" the Infra Loan Obligations under the Volcker Rule or are otherwise permitted under the Volcker Rule. For a further description of the Issuer's status under the Volcker Rule, see the section entitled "*Risk Factors — Regulatory risks relating to the Notes — Volcker Rule*" below of this Information Memorandum.

INDUSTRY AND MARKET DATA

This Information Memorandum includes information regarding the infrastructure and project finance industry, which has been derived from general information which is publicly available as well as the specific sources cited in this Information Memorandum. Such information is included for information purposes only. None of the Issuer, the Sponsor, the Collateral Manager, the Collateral Manager Related Party, the Retention Holder, HKMC, the Sole Global Coordinator, the Joint Bookrunners, the Transaction Administrator, the Trustee, the Agents or any of their respective Affiliates, directors, officers, employees, representatives, agents or advisers nor any other party has conducted an independent review of the information from such source or verified the accuracy of the contents of the relevant information and none of the Issuer, the Sponsor, the Collateral Manager, the Collateral Manager Related Party, the Retention Holder, HKMC, the Sole Global Coordinator, the Joint Bookrunners, the Transaction Administrator, the Trustee, the Agents or any of their respective Affiliates, directors, officers, employees, representatives, agents or advisers makes any representation as to the accuracy or completeness of that information. Such information may not be consistent with other information compiled within or outside Hong Kong or by any other party. In addition, third party information providers may have obtained information from market participants and such information may not have been independently verified.

FORWARD-LOOKING STATEMENTS

Certain statements in this Information Memorandum may constitute "forward-looking statements". (For example, the numbers and amounts in relation to the Portfolio and the Infra Loan Obligations as disclosed in the sections entitled "*Overview of the Transaction*", "*Risk Factors*" and "*The Portfolio*" of this Information Memorandum are estimates of the numbers or amounts as of the Closing Date, but not the numbers and amounts as of the date of this Information Memorandum. Those estimates are calculated as at the date of this Information Memorandum.) Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of the Issuer, the Portfolio or the Infra Loan Obligations to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements speak only as at the date of this Information Memorandum. The Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Retention Holder, HKMC, the Transaction Administrator, the Trustee and the Agents expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the expectations of the Issuer with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

The information contained in this Information Memorandum (including, without limitation, in the sections entitled "*Industry Overview*" and "*The Portfolio*" of this Information Memorandum) includes historical information or simulations about the Portfolio, the Infra Loan Obligations and the infrastructure and project finance industry generally that should not be regarded as an indication of the future performance or results of the Portfolio, the Infra Loan Obligations or the infrastructure and project finance industry generally.

Potential investors should consider the risks and disclaimers set out in italicised wording in the sections entitled "*Industry Overview*" and "*The Portfolio*" of this Information Memorandum, and the information in these sections of this Information Memorandum should be read and understood in the context of such risks and disclaimers, as well as the risk factors set out in the section entitled "*Risk Factors*" of this Information Memorandum.

NOTICE TO INVESTORS IN SINGAPORE

This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore ("**MAS**"). Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act) pursuant to Section 274 of the Securities and Futures Act, (ii) to a relevant person (as defined in Section 275(2) of the Securities and Futures Act) pursuant to Section 275(1) of the Securities and Futures Act, or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) 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 Securities and Futures Act) 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 Notes pursuant to an offer made under Section 275 of the Securities and Futures Act 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)(B) of the Securities and Futures Act;

(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 Securities and Futures Act; or

(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Any reference to the "**Securities and Futures Act**" is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the Securities and Futures Act or any provision in the Securities and Futures Act is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

KINGDOM OF SAUDI ARABIA NOTICE

This Information Memorandum may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the "**Capital Market Authority**").

The Capital Market Authority does not make any representations as to the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Information Memorandum. Potential investors should conduct their own due diligence on the accuracy of the information relating to the Notes. If a potential investor does not understand the contents of this Information Memorandum, he or she should consult an authorised financial adviser.

GENERAL NOTICE

EACH PURCHASER OF THE NOTES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN EACH JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS SUCH NOTES OR POSSESSES OR DISTRIBUTES THIS INFORMATION MEMORANDUM, AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED FOR THE PURCHASE, OFFER OR SALE BY IT OF SUCH NOTES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTIONS TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND NONE OF THE ISSUER, THE SOLE GLOBAL COORDINATOR, THE JOINT BOOKRUNNERS, THE SPONSOR, THE COLLATERAL MANAGER, ANY COLLATERAL MANAGER RELATED PARTY, THE RETENTION HOLDER, HKMC, THE TRUSTEE OR THE TRANSACTION ADMINISTRATOR SPECIFIED HEREIN (OR ANY OF THEIR RESPECTIVE AFFILIATES) SHALL HAVE ANY RESPONSIBILITY THEREFOR.

THE NOTES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT, AND THE APPLICABLE STATE SECURITIES LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

The Notes do not represent deposits with, or other liabilities of, any of the Sole Global Coordinator, the Joint Bookrunners, the Originating Banks, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Retention Holder, HKMC, the Transaction Administrator, the Trustee, the Agents and/or any of their respective Affiliates. The Notes are subject to investment risks (see the section entitled "*Risk Factors*" of this Information Memorandum), including, without limitation, prepayment or interest rate or credit risks, possible delays in repayment and loss of income and principal monies invested. Subscribers or purchasers of the Notes should conduct such independent investigation and analysis as they deem appropriate to evaluate the merits and risks of investment in the Notes. None of the Sole Global Coordinator, the Joint Bookrunners, the Originating Banks, the HKMC (in each of its capacities in connection with the Notes) or any of their respective Affiliates in any way stands behind or makes any representation, warranty, covenant or guarantee as to the capital value or performance of the Notes or of any assets of, or held by, the Issuer. The obligations of the Sole Global Coordinator, the Joint Bookrunners, the Originating Banks, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Retention Holder, HKMC, the Transaction Administrator, the Trustee, the Agents and their respective Affiliates to the Issuer and the holders of the Notes are limited to those expressed in the Transaction Documents (as defined herein) to which the Sole Global Coordinator, the Joint Bookrunners, the Originating Banks and/or, where applicable, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Retention Holder, HKMC, the Transaction Administrator, the Trustee and/or the Agents is or are parties. Please refer to the Condition entitled "*Security*" of the Conditions, the sections entitled "*Description of the Sponsor and the Collateral Manager*", "*Description of the Collateral Management and Administration Agreement*" and "*Description of the Trustee*" of this Information Memorandum for more information.

Certain monetary amounts included in this Information Memorandum have been subject to rounding adjustments. Accordingly, totals of numbers may not be equal to the apparent total of the individual items and actual numbers may differ from those contained in this Information Memorandum due to rounding.

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OVERVIEW OF THE TRANSACTION

*This section "Overview of the Transaction" does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this information memorandum (this "**Information Memorandum**") and related documents referred to herein. Capitalised terms not specifically defined in this Overview have the meanings set out in Condition 1 (Definitions) under the section "Terms and Conditions of the Notes" below of this Information Memorandum or are defined elsewhere in this Information Memorandum. An index of defined terms is set out at the back of this Information Memorandum. References to a "Condition" are to the specified Condition in the section "Terms and Conditions of the Notes" below and references to "Conditions" are to the section "Terms and Conditions of the Notes" below. The numbers and amounts in relation to the Portfolio and the Infra Loan Obligations as disclosed in this section are estimates of the numbers or amounts as of the Closing Date, but not the numbers and amounts as of the date of this Information Memorandum. Unless otherwise indicated, those estimates are calculated as at the date of this Information Memorandum. For a discussion of certain risk factors to be considered in connection with an investment in the Notes, see the section "Risk Factors" of this Information Memorandum.*

Overview of the Sponsor

The Sponsor was incorporated in March 1997 as a public company with limited liability under the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) (the predecessor of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) ("**Companies Ordinance**"). The Sponsor is wholly owned by The Government of the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong Government**") through the Exchange Fund, a fund under the control of the Financial Secretary of the Hong Kong Government ("**Financial Secretary**") as provided under the Exchange Fund Ordinance (Chapter 66 of the Laws of Hong Kong).

As part of its primary business operations, the Sponsor commenced in 2019 acquiring infrastructure loans from banks, as well as co-financing infrastructure projects with multilateral development banks and commercial banks, through its infrastructure financing and securitisation ("**IFS**") business, with a view to building a portfolio to support distribution of infrastructure loan-backed securities ("**ILBS**") to institutional investors in the capital markets. The Sponsor structures and manages the issuance of ILBS and invests in the subordinated notes of such ILBS issuance for aligning its interest with the institutional investors. In May 2023, the Sponsor launched its pilot issuance of ILBS.

By acquiring infrastructure loan assets and subsequently distributing ILBS in the capital markets, the Sponsor aims to:

- further its mandate to promote the development of the local bond market, and the stability of the banking sector in Hong Kong;
- fill the gap in the local infrastructure financing market to facilitate infrastructure investment and financing fund flow; and
- help consolidate Hong Kong's position as an infrastructure financing hub and benefit its financial and professional services sectors.

The Sponsor predominantly focuses on the acquisition of infrastructure loans that are senior debt of greenfield and brownfield projects, covering a variety of infrastructure assets such as gas and oil infrastructure, power (conventional and renewable), electricity distribution/transmission, energy shipping, social infrastructure, telecommunication, transportation, water desalination, and ports.

The Sponsor aims to continue to work closely with participants in the loans and capital markets to promote infrastructure financing as well as ILBS to institutional investors with a view to enabling the local infrastructure financing market to become more vibrant and diversified, and also to facilitate the inflow of capital to infrastructure projects.

As at the date of this Information Memorandum, the Sponsor maintains credit ratings of AA+ (stable outlook) from S&P Global Ratings and Aa3 (negative outlook) from Moody's.

Transaction Structure

The Infra Loan Obligations consist of a diversified portfolio of project and infrastructure loans across multiple geographies and sectors (the "**Portfolio**").

The Issuer acquired (a) a part of the Portfolio from the Sponsor for an aggregate purchase consideration of US$386.2 million (of which US$1.9 million relate to Undrawn Commitments, representing the Undrawn Commitment Amount), being 91.2 per cent. of the aggregate principal amount of the Infra Loan Obligations underlying the Portfolio of US$423.3 million, and (b) the remainder of the Portfolio from certain Originating Banks (each of such Infra Loan Obligations acquired from the Originating Banks, a "**Pre-funded ILO**") with the proceeds made available under a Hong Kong law-governed warehouse sponsor loan deed dated 6 August 2024 and entered into between the Issuer and the Sponsor (the "**Warehouse Sponsor Loan Deed**" and such loans, the "**Warehouse Sponsor Loans**") for an aggregate purchase consideration of US$37.1 million, being 8.8 per cent. of the aggregate principal amount of the Infra Loan Obligations underlying the Portfolio of US$423.3 million. The Issuer as chargor and the Sponsor as chargee also entered into a warehouse security deed dated 6 August 2024 (the "**Warehouse Security Deed**") to secure the Issuer's payment obligations to the Sponsor under the Warehouse Sponsor Loan Deed.

Prior to the Closing Date, the Issuer would pass through the interest from the underlying borrowers of the Pre-funded ILOs to the Sponsor as interest payment of the Warehouse Sponsor Loans.

On the Closing Date, (a) the Issuer will use a portion of the proceeds of the issuance of the Notes to repay the Sponsor the principal amount of the Warehouse Sponsor Loans and (b) pursuant to a deed of termination and release between the Issuer as chargor and HKMC as chargee dated on the Closing Date (the "**Deed of Termination and Release**") and the Closing Sponsor Loans Agreement:

(i) the Warehouse Sponsor Loan Deed and the Warehouse Security Deed will be terminated in all respects as of the Closing Date; and

(ii) the Issuer and the Sponsor agree to novate the Issuer's payment obligations in respect of the following amounts from the Warehouse Sponsor Loan Deed to the Closing Sponsor Loans Agreement (without accruing interest on such amounts):

  (1) any interest accrued on each Pre-funded ILO from and including the interest payment date of such Pre-funded ILO immediately preceding the Closing Date up to (but excluding) the Closing Date, which is not payable by the Issuer to the Sponsor until the next interest payment date of such Pre-funded ILO falling on or after the Closing Date (such interest, the "**Deferred IPA Interest**"); and

  (2) any amount payable to the Issuer which do not represent interest or principal in respect of any Pre-funded ILO accrued up to but excluding the Closing Date, or incurred on or prior to the Closing Date, and in each case not payable by the Issuer until a date after the Closing Date or which has been received by the Issuer but not paid to the Sponsor prior to the Closing Date (such amount, the "**Deferred IPA Income**").

Following the Closing Date, pursuant to the terms of the Closing Sponsor Loans Agreement, only Deferred IPA Interest and Deferred IPA Income that are actually received by the Issuer shall be payable by the Issuer to the Sponsor as Non-Waterfall Amounts. If the Issuer has not received any Deferred IPA Interest or Deferred IPA Income, it will not be under any obligation to pay such amount to the Sponsor. As any Deferred IPA Interest or Deferred IPA Income would only amount to Non-Waterfall Amount, and is only payable if the Issuer has actually received it, it would not be subject to or paid pursuant to the Principal Priority of Payments and Interest Priority of Payments and, if the Post-Acceleration Priority of Payments applies, it would be paid prior to the distribution pursuant thereto.

The Issuer expects to issue the Notes for an aggregate issue price of approximately US$423.3 million, the proceeds of which will be used to repay all amounts then due and payable under the Warehouse Sponsor Loan Deed (excluding, for the avoidance of doubt, any Deferred IPA Interest and Deferred IPA Income) on the Closing Date, as described above, fund the acquisition of a portion of the Portfolio which was not acquired by the Issuer before the Closing Date with the proceeds made available pursuant to the Warehouse Sponsor Loan Deed on the Closing Date, make a deposit equal to the Undrawn Commitment Amount in the Undrawn Commitment Account, and credit the remaining balance to the Interest Account. Unless otherwise indicated, all figures relating to the Portfolio in this Information Memorandum are expected amounts as at the Closing Date, calculated as of the date of this Information Memorandum.

Within the Portfolio:

(a) US$285.4 million in aggregate principal amount of Infra Loan Obligations (comprising 67.4 per cent. of the Infra Loan Obligations in the Portfolio) were acquired directly from the Sponsor pursuant to a sponsor purchase and sale agreement between the Issuer and the Sponsor dated 26 August 2024 (such agreement, as may be amended and/or restated from time to time, the "**Sponsor Purchase and Sale Agreement**", together with the Master Participation Agreement (as defined below), the "**Sponsor Collateral Acquisition Agreements**"), under which the Sponsor has agreed to transfer its rights and obligations by way of novation to the Issuer under each of the Infra Loan Obligations that are the subject of the Sponsor Purchase and Sale Agreement. In these instances, the Issuer will succeed to the rights and obligations of the Sponsor under the relevant Credit Documentation in respect of such Infra Loan Obligations and will be deemed to have the same rights against the Obligors as each of the other lenders of the relevant Infra Loan Obligations;

(b) US$37.1 million in aggregate principal amount of Infra Loan Obligations (comprising 8.8 per cent. of the Infra Loan Obligations in the Portfolio) were acquired directly from Originating Banks with the proceeds made available pursuant to the Warehouse Sponsor Loan Deed, each pursuant to an English law-governed transfer agreement between the Issuer and the relevant Originating Bank (such agreement, as may be amended and/or restated from time to time, the "**Originating Bank Transfer Agreement**"), under which the relevant Originating Bank has agreed to transfer its rights and obligations by way of novation to the Issuer under the relevant Infra Loan Obligation. In these instances, the Issuer will succeed to the rights and obligations of the relevant Originating Banks under the relevant Credit Documentation in respect of such Infra Loan Obligations and will be deemed to have the same rights against the underlying Obligors as each of the other lenders of the relevant Infra Loan Obligations;

(c) the remaining US$100.8 million in aggregate principal amount of Infra Loan Obligations (comprising 23.8 per cent. of the Infra Loan Obligations in the Portfolio) were not capable of being directly assigned or novated to the Issuer as a result of various factors such as contractual limitations and third-party consent requirements. In respect of these Infra Loan Obligations, the Issuer will, pursuant to the Sponsor Collateral Acquisition Agreements, either (i) where HKMC held the loan as a funded participation, succeed to the rights and obligations of HKMC under the underlying participation agreements between HKMC and the relevant Eligible Originating Banks or (ii) where the loan was able to be transferred to HKMC by way of novation, enter into a funded

participation agreement with HKMC (such agreement, as may be amended and/or restated from time to time, the "**Master Participation Agreement**") in respect of the relevant loan.

These participation arrangements do not result in a contractual relationship between the Issuer and the Obligors of the underlying Infra Loan Obligations, and the Issuer will therefore only be able to enforce compliance by the Obligors with the terms of the relevant Credit Documentation in respect of such Infra Loan Obligations by acting (if such actions are permitted under the terms of the relevant participation agreements) through the relevant Eligible Originating Banks or HKMC (as applicable). See the section entitled "*Risk Factors — Risks relating to the Portfolio — A portion of the Portfolio will consist of Participations, which have limited rights vis-à-vis Obligors and collateral compared with Novations*" of this Information Memorandum.

In the case of (a) above, the Issuer will be responsible for undrawn or partially drawn commitments that may be required to be funded in the future. The aggregate principal amount of such undrawn or partially drawn commitments is US$1.9 million. The relevant Infra Loan Obligations were acquired directly from the Sponsor by novation pursuant to the Sponsor Purchase and Sale Agreement, and the Issuer will have the obligation to make available the Undrawn Commitment to the Obligors. See the section entitled "*Risk Factors — Risks relating to the Portfolio — As at the Closing Date, the Portfolio includes Infra Loan Obligations where the Issuer has an unfunded lending commitment*" of this Information Memorandum.

The Issuer will issue six Classes of Notes (the Class A1-SU Notes and the Class A1 Notes (collectively, the "**Class A Notes**"), the Class B Notes, the Class C Notes, the Class D Notes and the Subordinated Notes, and together, the "**Notes**"). These Notes are backed by cash flows from the Portfolio. The Issuer will apply the net proceeds from the issue of the Notes to repay all of the amounts then due and payable under the Warehouse Sponsor Loan Deed (excluding, for the avoidance of doubt, any Deferred IPA Interest and Deferred IPA Income) on the Closing Date, fund the acquisition of a portion of the Portfolio which was not acquired by the Issuer before the Closing Date with the proceeds made available pursuant to the Warehouse Sponsor Loan Deed on the Closing Date, make a deposit equal to the Undrawn Commitment Amount in the Undrawn Commitment Account, and credit the remaining balance to the Interest Account. The Issuer shall apply an amount equal to the proceeds of the Class A1-SU Notes it receives towards the purchase of loans classified as Eligible Assets (as defined in HKMC's Social, Green and Sustainability Financing Framework[1] dated September 2022, as amended from time to time (the "**SGS Framework**")) in the Portfolio (the "**Class A1-SU Eligible Loans**").

Under the Green Bond Principles 2021, the Social Bond Principles 2021, and the Sustainability Bond Guidelines 2021 published by the International Capital Market Association ("**ICMA**"), a secured green, social or sustainability bond is defined as a bond where the net proceeds will be exclusively applied to finance or refinance either:

(a) green and/or social project(s) that are securing the specific bond only; or

(b) the green and/or social project(s) of the issuer, originator or sponsor of the securitisation, where such green and/or social project(s) may or may not be securing the specific bond in whole or in part (a "**Secured Sustainability Standard Bond**"). A Secured Sustainability Standard Bond may be a specific class or tranche of a larger transaction.

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[1] The SGS Framework as at the date of this Information Memorandum can be found at Annex A to this Information Memorandum. The then current version of the SGS Framework can be found at: https://www.hkmc.com.hk/eng/investor_relations/sustainable_finance.html.

These secured bond categories may include, but are not limited to, covered bonds, securitisations, asset-backed commercial paper, secured notes and other secured structures, where generally the cash flows of assets are available as a source of repayment or assets serve as security for the bonds in priority to other claims.

Since the Class A1-SU Notes are secured by the entire Portfolio (and not only by the Class A1-SU Eligible Loans), such Class A1-SU Notes are considered Secured Sustainability Standard Bonds under the Green Bond Principles 2021, the Social Bond Principles 2021 and the Sustainability Bond Guidelines 2021 published by ICMA.

It is expected that the Notes will, when issued, be assigned the following credit ratings from Moody's:

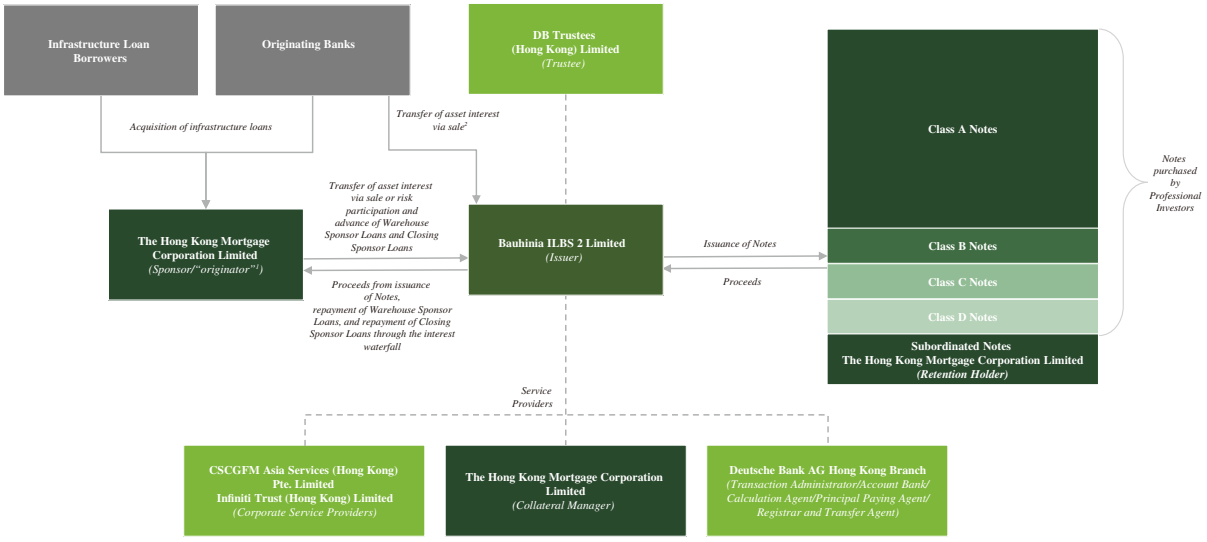
Class	Ratings (Moody's)
Class A1-SU Notes	Aaa (sf)
Class A1 Notes	Aaa (sf)
Class B Notes	Aa1 (sf)
Class C Notes	A2 (sf)
Class D Notes	Baa3 (sf)

The Subordinated Notes are not being offered hereby and will not be rated.

Application will be made to the SEHK for the listing of, and permission to deal in the Class A1-SU Notes, the Class A1 Notes, the Class B Notes, the Class C Notes and the Class D Notes. The Subordinated Notes will not be rated or listed on any securities exchange. HKMC, as Sponsor of the transaction, will acquire the Subordinated Notes and intends to retain the Subordinated Notes. More details on the transaction structure, the Notes, the Subordinated Notes and the credit ratings are described in the sections entitled "*The Portfolio*", "*Overview of the Notes*", "*Terms and Conditions of the Notes*" and "*Ratings of the Notes*" of this Information Memorandum.

The Sponsor will make available to the Issuer on the Closing Date a US$3.0 million secured and subordinated term loan (the "**Bridging Sponsor Loan**") and a US$2.0 million secured and subordinated revolving loan facility (the "**Risk Protection Sponsor Facility**", and each loan made pursuant to the Risk Protection Sponsor Facility, a "Risk Protection Sponsor Loan" and together with the Bridging Sponsor Loan, the "**Closing Sponsor Loans**") pursuant to the Closing Sponsor Loans Agreement. The proceeds of the Bridging Sponsor Loan will be used (a) to fund the General Reserve Account in an amount equal to the General Reserve Account Cap and (b) the remainder credited to the Interest Account and applied as Interest Proceeds. The Bridging Sponsor Loan will bear interest at an amount agreed between the Issuer and the Sponsor and will be repaid in accordance with the Priorities of Payments. The proceeds of each Risk Protection Sponsor Loan (if any) will be used to fund the Risk Protection Reserve Account and the Issuer (as directed by the Collateral Manager) or the Collateral Manager (acting on behalf of the Issuer) will, from time to time, procure payment of amounts available in the Risk Protection Reserve Account to procure and/or renew any Risk Protection in accordance with the Collateral Management and Administration Agreement. Each Risk Protection Sponsor Loan will bear interest at an amount agreed between the Issuer and the Sponsor and will be repaid in accordance with the Priorities of Payments.

An indicative diagrammatic representation of the transaction structure is set out below:



Notes:

1 HKMC is only classified as "originator" for EU and UK Securitisation Regulation purposes

2 Certain infrastructure loans were transferred directly from Originating Banks to the Issuer prior to the Closing Date, the transfer of which were funded by the Warehouse Sponsor Loans provided by the Sponsor, which will be fully repaid (excluding, for the avoidance of doubt, any Deferred IPA Interest and Deferred IPA Income) by the proceeds from issuance of the Notes on the Closing Date.

Interest and principal repayments on the Infra Loan Obligations are the principal source of cash for the Issuer. On each Notes Payment Date, the distributions received from the Infra Loan Obligations will be applied in accordance with the Priorities of Payments (as described in Condition 3(c) (*Priorities of Payments*)). Following the delivery of an Enforcement Notice which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Note Event of Default*) or, as the case may be following automatic acceleration of the Notes or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or Condition 7(f) (*Redemption following Note Tax Event*), the Post-Acceleration Priority of Payments will apply (as described in Condition 11(c) (*Post-Acceleration Priority of Payments*)). See the sections entitled "*Overview of the Notes*" and "*Terms and Conditions of the Notes*" of this Information Memorandum for more information.

Transaction Parties

HKMC as Sponsor and Collateral Manager is responsible for the sourcing of the Portfolio from the Originating Banks or itself, including initial screening, credit analysis, due diligence and documentation (as described in the section entitled "*Description of the Sponsor and the Collateral Manager — IFS Business of the Sponsor*" of this Information Memorandum). The Sponsor will also provide secured and subordinated loans to the Issuer pursuant to the Closing Sponsor Loans Agreement.

The Issuer has appointed the Collateral Manager to provide certain investment management functions in accordance with the Collateral Management and Administration Agreement and to perform certain administrative and advisory functions on behalf of the Issuer in accordance with the applicable provisions of the Collateral Management and Administration Agreement (as described in the section entitled "*Description of the Collateral Management and Administration Agreement*" of this Information Memorandum).

The Issuer has appointed Deutsche Bank AG, Hong Kong Branch as the Transaction Administrator to perform certain portfolio administration and reporting services in accordance with the Collateral Management and Administration Agreement (as described in the sections entitled "*Description of the Transaction Administrator*" and "*Description of the Reports*" of this Information Memorandum) and DB Trustees (Hong Kong) Limited as the Trustee for the Secured Parties pursuant to the Trust Deed and the Hong Kong Security Deed. The Issuer has also appointed Deutsche Bank AG, Hong Kong Branch as Account Bank, Principal Paying Agent, Calculation Agent, Registrar and Transfer Agent pursuant to the Agency and Account Bank Agreement and has appointed CSCGFM Asia Services (Hong Kong) Pte. Limited and Infiniti Trust (Hong Kong) Limited as the Corporate Service Providers to provide corporate secretarial services pursuant to the Corporate Services Agreement.

Offering Highlights

Diversified portfolio of project and infrastructure loans with credit enhancement features

The Portfolio is diversified across 26 projects among 10 sub-sectors as at the date of this Information Memorandum. The projects underlying the Portfolio are located in 14 countries across the Asia-Pacific, the Middle East and the Latin America regions. The Portfolio has been assembled with a focus on infrastructure assets in the oil and gas distribution and regasification and telecommunication subsectors. The Portfolio also includes Infra Loan Obligations from other sub-sectors (see the section entitled "*The Portfolio — Structure and Sourcing*" of this Information Memorandum). Many of the projects that underlie the Portfolio involve infrastructure assets that are critical to the water, telecommunication, natural resources, energy and power generation infrastructure of their host countries, and are supported by major corporate sponsors, state-owned enterprises and government or government-linked sponsor entities. Accordingly, the Issuer believes that the diversification within the Portfolio is a significant mitigant to geographical, industry or corporate and consumer business-cycle risks.

Experienced and dedicated infrastructure and project finance specialist, with appropriate alignment of interests with the Noteholders

The HKMC is the Sponsor of the transaction, and will be acting as the Collateral Manager for the Portfolio under the terms of the Collateral Management and Administration Agreement. Members of the Infrastructure Financing and Securitisation Division ("**IFS Division**") of the Sponsor possess extensive experience in the infrastructure and project finance sectors, across investment, risk and portfolio management and the IFS business is further supported by the comprehensive suite of business functions of the Sponsor (including corporate risk management, legal and compliance, financial control and treasury functions).

The HKMC as Collateral Manager of the Portfolio is guided by the Infrastructure Financing and Securitisation Collateral Manager Committee ("**IFSCMC**"). The IFSCMC is required by its terms of reference to act in accordance with the Collateral Management and Administration Agreement and the terms and conditions of a particular issuance of Notes in the discharge of its functions. The IFSCMC is independent from the infrastructure loan asset acquisition of the Sponsor which is guided by the Infrastructure Financing and Securitisation Investment Committee ("**IFSIC**"). For further information, please see the sections entitled "*Risk Factors — Risks relating to the Issuer and the Collateral Manager — Risks relating to certain conflicts of interest*" and "*Description of the Sponsor and the Collateral Manager — Risk Management — Risk management and governance of the IFS business*" of this Information Memorandum.

The HKMC as Sponsor of the transaction will subscribe for the Subordinated Notes and intends to retain these Subordinated Notes in its capacity as Retention Holder.

The Issuer believes that with these features, the interests of the Noteholders, the Sponsor, the Retention Holder and the Collateral Manager are properly aligned.

Rating factor and credit enhancement features

As at the Closing Date, US$389.3 million, or 92.0 per cent. of the aggregate principal amount of the Portfolio, relates to operational infrastructure projects that are generating cash flows (some of which may have ongoing ramp-up or additional works to achieve the intended full production capacity), while the remaining US$34.0 million, or 8.0 per cent. of the aggregate principal amount of the Portfolio, relates to infrastructure projects that are in advanced stages of construction.

In addition, Infra Loan Obligations representing US$257.3 million, or 60.8 per cent. of the aggregate principal amount in the Portfolio, are investment-grade assets with a Moody's Rating Factor of 610 or lower based on Moody's existing credit estimate disclosure policy introduced in March 2022, which no longer incorporates the benefit of external credit support for Infra Loan Obligations covered by export credit agencies. However, Moody's nonetheless ascribes higher recovery rates to such Infra Loan Obligations in its analysis of the Portfolio in order to determine the level of credit protection necessary to achieve the expected loss associated with the rating of each Class of Notes. As at the Closing Date, Infra Loan Obligations representing US$5.4 million, or 1.3 per cent. of the aggregate principal amount in the Portfolio, are supported by export credit agencies through various forms of credit enhancement such as guarantees and insurance.

Stable and predictable cash flows

The Infra Loan Obligations in the Portfolio are generally supported by infrastructure projects with stable and predictable long-term cash flows, such as through offtake agreements with reputable and creditworthy counterparties including major global corporates, state-owned enterprises and government or government-linked entities. The underlying debt service cash flows from the Portfolio are denominated in US Dollars, which match the debt service cash flows with respect to the Notes.

The Infra Loan Obligations in the Portfolio are expected to remain relatively stable on and from the Closing Date. The Collateral Manager is only permitted to purchase Reinvestment Infra Loan Obligations during the Reinvestment Period in certain limited circumstances. Such circumstances include the early repayment of an Infra Loan Obligation in full during the Reinvestment Period, the cancellation of an Undrawn Commitment (or the expiry of the availability period relating to an Undrawn Commitment) during the Reinvestment Period, where an Infra Loan Obligation has become a Refinancing Infra Loan Obligation, where an Infra Loan Obligation has been sold because it has become a Defaulted Obligation or a Credit Risk Obligation, or was reasonably expected to become credit impaired in the reasonable opinion of the Collateral Manager, or was otherwise subject to, or in the sole opinion of the Collateral Manager, will be subject to a Collateral Tax Event or where a Non-Eligible Sustainability Infra Loan Obligation is disposed of and to be replaced by one or more Eligible Sustainability Infra Loan Obligations. Each Reinvestment Infra Loan Obligation must meet the Reinvestment Criteria and (in the case of Eligible Sustainability Infra Loan Obligations) constitutes an Eligible Asset as defined in the SGS Framework for inclusion in the Portfolio.

Multilayered credit approval process

Prior to being selected for inclusion in the Portfolio, each of the Infra Loan Obligations has undergone a review and credit approval process by each of the Originating Banks (where applicable) and the Sponsor. The Sponsor's review and credit approval process includes detailed financial, industry, technical, insurance, environmental and social and legal due diligence to understand the technical, legal, commercial and financial considerations for each of the underlying Infra Loan Obligations, as well as the current operating or construction status of each Infra Loan Obligation.

Following the Closing Date, the Collateral Manager will continue to monitor and manage the Portfolio and the credit performance of each of the underlying Infra Loan Obligations, including through periodic credit reviews, covenant monitoring, processing of waivers and other notices, maintenance of credit estimates and valuation support.

OVERVIEW OF THE NOTES

The following summary does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this Information Memorandum and related documents referred to herein. Descriptions of the Subordinated Notes, which are not being offered pursuant to this Information Memorandum, are included herein for informational purposes only.

Class	Principal Amount	Issue Price	Initial Interest Rate[2]	Maturity Date	Ratings (Moody's)
Class A1-SU Notes	US$107,000,000	100.0%	Benchmark + 1.35%	19 October 2044	Aaa (sf)
Class A1 Notes	US$209,500,000	100.0%	Benchmark + 1.40%	19 October 2044	Aaa (sf)
Class B Notes	US$34,000,000	100.0%	Benchmark + 1.80%	19 October 2044	Aa1 (sf)
Class C Notes	US$20,500,000	100.0%	Benchmark + 3.40%	19 October 2044	A2 (sf)
Class D Notes	US$15,700,000	100.0%	Benchmark + 3.95%	19 October 2044	Baa3 (sf)
Subordinated Notes	US$36,591,000	100.0%	Benchmark + 5.50%	19 October 2044	N/A

Eligible Purchasers . . . . . The Notes of each Class will be offered to non-U.S. Persons in "offshore transactions" in reliance on Regulation S.

Issue Date . . . . . The Notes of each Class will be issued by the Issuer on the Closing Date, being on or about 11 September 2024.

Notes Payment Dates . . . . . 19 April and 19 October of each year, scheduled to be commencing on 19 April 2025 and ending on the Maturity Date (subject to any earlier redemption of the Notes and in each case to adjustment for non-Business Days or a Payment Frequency Switch Event, in accordance with the Conditions).

Stated Note Interest . . . . . Interest in respect of the Notes of each Class will be payable semi-annually (or, following the occurrence of a Payment Frequency Switch Event, quarterly) in arrear on each Notes Payment Date (with the first Notes Payment Date scheduled to be occurring on 19 April 2025) in accordance with the Interest Priority of Payments.

Benchmark Replacement . . . . . If Term SOFR is unavailable or no longer reported, the Benchmark Replacement will become the Benchmark. In connection with the implementation of a Benchmark Replacement, the Collateral Manager will have the right to make Benchmark Replacement Conforming Changes from time to time pursuant to a supplemental trust deed or by delivery of written notice to the Issuer (who will forward such notice to the Noteholders at the direction of the Collateral Manager), the Trustee and the Calculation Agent.

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[2] The Benchmark will initially be Term SOFR and will be calculated in accordance with the definition of "**Benchmark**". The Benchmark may be replaced in certain circumstances by the applicable Benchmark Replacement in accordance with Condition 14(d) (*Effect of Benchmark Transition Event*), including in some circumstances without the consent of any Noteholders.

Non-payment and Deferral of Interest . . . . . .

Failure on the part of the Issuer to pay (i) any interest in respect of the Class A Notes or the Class B Notes or (ii) any interest in respect of the Class C Notes, the Class D Notes or the Subordinated Notes which is not deferred in accordance with Condition 6(d) (*Deferral of Interest*), in each case when the same becomes due and payable, shall be a Note Event of Default if such failure continues for a period of at least five Business Days (or, in the case of administrative error or omission, at least seven Business Days) following notice thereof.

To the extent that interest payments on the Class C Notes, the Class D Notes or the Subordinated Notes are not made on the relevant Notes Payment Date and the relevant Class of Notes is not the Controlling Class, an amount equal to such unpaid interest will be added to the principal amount of the Class C Notes, the Class D Notes or the Subordinated Notes (as applicable), and from the date such unpaid interest is added to the Principal Amount Outstanding of the Class C Notes, the Class D Notes or the Subordinated Notes, such unpaid amount will accrue interest at the rate of interest applicable to the Class C Notes, the Class D Notes or the Subordinated Notes (as applicable), and the failure to pay such interest payments to the holders of the Class C Notes, the Class D Notes or the Subordinated Notes will not constitute a Note Event of Default until the earlier of the Maturity Date or any earlier date on which the Notes are to be redeemed in full. See Condition 6(d) (*Deferral of Interest*).

Failure on any Notes Payment Date to disburse amounts (other than interest and principal on the Rated Notes (in accordance with Condition 10(a)(i) (*Non-payment of interest*) and (ii) (*Non-payment of principal*))) available in the Payment Account:

(a) in respect of any taxes, governmental fees, filing and registration fees and registered office fees owing by the Issuer in accordance with the Priorities of Payments, in excess of US$25,000; and

(b) in respect of all other payments in accordance with the Priorities of Payments, in excess of US$200,000,

will, in each case, constitute a Note Event of Default if such failure continues for a period of at least five Business Days (or, in the case of administrative error or omission, at least seven Business Days) following notice thereof.

For the avoidance of doubt, non-payment of Interest Amounts due and payable on any Class of Notes as the result of any deduction therefrom or the imposition of any withholding tax thereon as set out in Condition 9 (*Taxation*) shall not constitute a Note Event of Default.

Redemption of the Notes . . . . . Principal payments on the Notes may be made in the following circumstances:

(a) on the Maturity Date;

(b) on any Notes Payment Date following a Determination Date on which a Coverage Test is not satisfied (to the extent such test is required to be satisfied on such Determination Date);

(c) on any Notes Payment Date during the Reinvestment Period by the Collateral Manager (acting on behalf of the Issuer), following written certification by the Collateral Manager to the Trustee (on which the Trustee shall be entitled to conclusively rely without enquiry or liability) that, using reasonable endeavours, it has been unable, for a period of at least 45 consecutive Business Days, to identify additional Infra Loan Obligations or Reinvestment Infra Loan Obligations in sufficient amounts to permit the investment of all or a portion of the Reinvestment Proceeds then available for reinvestment, those Reinvestment Proceeds shall be a Special Redemption Amount (see Condition 7(d) (*Special Redemption*)). In addition, where the Collateral Manager has not identified or has not been able to identify any Reinvestment Infra Loan Obligations for the purposes of acquisition, any Reinvestment Proceeds not used for acquisition of Reinvestment Infra Loan Obligations and standing to the credit of the Principal Account may, as determined by the Collateral Manager using reasonable judgment in accordance with the terms of the Collateral Management and Administration Agreement, be paid out of the Principal Account to the Payment Account to the extent required for disbursement pursuant to the Principal Priority of Payments;

(d) in whole (with respect to all Classes of Rated Notes) but not in part on any Business Day after expiry of the Non-Call Period from Disposal Proceeds or Refinancing Proceeds (or any combination thereof) at the option of the holders of the Subordinated Notes (acting by way of Extraordinary Resolution) or at the direction of the Collateral Manager (subject to the subsequent consent of the holders of the Subordinated Notes (acting by way of Extraordinary Resolution) to the terms thereof), **provided that** the Issuer has entered into sale agreements and/or a Refinancing which will raise sufficient funds not later than two Business Days prior to the proposed redemption date (see Condition 7(b)(i) (*Optional Redemption in Whole — Holders of Subordinated Notes or Collateral Manager*));

(e) the Subordinated Notes may be redeemed in whole on any Business Day at the direction of the holders of the Subordinated Notes (acting by way of Extraordinary Resolution), in each case following the redemption in full of all Classes of Rated Notes (see Condition 7(b)(vii) (*Optional Redemption of Subordinated Notes*));

(f) on any Notes Payment Date following the occurrence of a Collateral Tax Event in whole (with respect to all Classes of Rated Notes) at the option of the holders of the Subordinated Notes acting by way of Extraordinary Resolution (see Condition 7(b)(i) (*Optional Redemption in Whole — Holders of Subordinated Notes or Collateral Manager*));

(g) in whole (with respect to all Classes of Rated Notes) but not in part from Disposal Proceeds on any Business Day following the redemption in full of the Class A Notes and if directed in writing by the Collateral Manager, **provided that** the Issuer has entered into sale agreements and/or a Refinancing which will raise sufficient funds not later than two Business Days prior to the proposed redemption date (see Condition 7(b)(ii) (*Optional Redemption in Whole*));

(h) in whole (with respect to all Classes of Notes) on any Notes Payment Date at the option of the holders of the Subordinated Notes, acting by way of Extraordinary Resolution, following the occurrence of a Note Tax Event, subject to (i) the Issuer having failed to change the territory in which it is resident for tax purposes to another territory which, at the time of such change, would not give rise to a Note Tax Event and (ii) certain minimum time periods (see Condition 7(f) (*Redemption following Note Tax Event*)); and

(i) at any time following an acceleration of the Notes after the occurrence of a Note Event of Default which is continuing and has not been cured or waived (see Condition 10 (*Note Events of Default*)).

Non-Call Period . . . . . During the period from the Closing Date up to, but excluding, 19 October 2027 or, if such day is not a Business Day, then the next succeeding Business Day, unless it would fall in the following month, in which case it shall be the immediately preceding Business Day (the "**Non-Call Period**"), the Notes are not subject to Optional Redemption (save for upon a Collateral Tax Event, a Note Tax Event, a Special Redemption or an Optional Redemption in whole pursuant to Condition 7b(ii) (*Optional Redemption in Whole*)). See Condition 7(b) (*Optional Redemption*), Condition 7(d) (*Special Redemption*) and Condition 7(f) (*Redemption following Note Tax Event*).

Redemption Price . . . . . The Redemption Price for each Subordinated Note will be its *pro rata* share (calculated in accordance with the applicable Priorities of Payments) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application of such proceeds in accordance with the Priorities of Payments.

The Redemption Price of each Class of Rated Notes will be 100.0 per cent. of the Principal Amount Outstanding thereof (if any), together with any accrued and unpaid interest in respect thereof to the relevant day of redemption.

Additional Issuance of Notes . . . The Issuer may, during the Reinvestment Period, subject to the approval of the Collateral Manager, the holders of the Subordinated Notes and, in the case of the issuance of additional Class A Notes, subject to the approval of the Controlling Class of such Noteholders, in each case acting by Ordinary Resolution, create and issue further Class A Notes, Class B Notes, Class C Notes or Class D Notes having the same terms and conditions as existing Classes of Notes (save as provided below) and which shall be consolidated and form a single series with the Outstanding Notes of such Class (unless otherwise provided), and will use the proceeds of sale thereof to purchase additional Infra Loan Obligations, subject to the satisfaction of certain conditions in accordance with Condition 17 (*Additional Issuances of Notes*).

The Issuer may, from time to time, issue additional Subordinated Notes on substantially similar terms to the Subordinated Notes outstanding on the Closing Date.

Priorities of Payments . . . . . Prior to the delivery of an Enforcement Notice (deemed or otherwise) in accordance with Condition 10(b) (*Acceleration*) or following the delivery of an Enforcement Notice (deemed or otherwise) which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Note Event of Default*), and save for in connection with any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*) or in connection with a redemption in whole pursuant to Condition 7(f) (*Redemption following Note Tax Event*), Interest Proceeds will be applied in accordance with the Interest Priority of Payments and Principal Proceeds will be applied in accordance with the Principal Priority of Payments on each Notes Payment Date.

Upon any redemption in whole of the Notes in accordance with Condition 7(b) (*Optional Redemption*) or in accordance with Condition 7(f) (*Redemption following Note Tax Event*) or following the delivery of an Enforcement Notice (deemed or otherwise) in accordance with Condition 10(b) (*Acceleration*) which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Note Event of Default*), Interest Proceeds and Principal Proceeds will be applied in accordance with the Post-Acceleration Priority of Payments, in each case as described in the Conditions, **provided that**, prior to any such distribution, the Collateral Manager shall determine whether any of the proceeds is an Overpaid Amount or a Non-Waterfall Amount and, if so determined and notified to the Trustee and the Transaction Administrator, the Transaction Administrator shall (on the instructions of the Trustee), subject to the receipt of the necessary information to do so, distribute any such Overpaid Amount or Non-Waterfall Amount to the relevant Person as soon as reasonably practicable.

Status and Ranking . . . . . The Notes of each Class constitute direct, general, secured, unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 4(c) (*Limited Recourse and Non-Petition*). The Notes of each Class are secured in the manner described in Condition 4(a) (*Security*) and, within each Class, shall at all times rank *pari passu* and without any preference among themselves. The Notes will rank at least *pari passu* with the claims of all the unsecured and unsubordinated creditors of the Issuer except where other obligations are mandatorily preferred by laws of general application.

Ranking of Payments of Interest . . . . . Payments of interest on each Class of Notes will be made in the following order of priority:

(a) first, to the Class A Notes, *pro rata* and *pari passu* between the Class A1 Notes and the Class A1-SU Notes;

(b) second, to the Class B Notes;

(c) third, to the Class C Notes;

(d) fourth, to the Class D Notes; and

(e) fifth, to the Subordinated Notes.

The Notes within each Class will rank *pro rata* and *pari passu* among themselves at all times in respect of payments of interest to be made to such Class.

Ranking of Payments of Principal . . . . . Payments of principal on each Class of Notes will be made in the following order of priority:

(a) first, to the Class A Notes, *pro rata* and *pari passu* between the Class A1 Notes and the Class A1-SU Notes;

(b) second, to the Class B Notes;

(c) third, to the Class C Notes;

(d) fourth, to the Class D Notes; and

(e) fifth, to the Subordinated Notes.

The Notes within each Class will rank *pro rata* and *pari passu* among themselves at all times in respect of payments of principal to be made to such Class.

Collateral Management Fees . . . The Collateral Manager will be entitled to receive from the Issuer on each Notes Payment Date a management fee comprising a Senior Collateral Management Fee of 0.1 per cent. per annum of the Collateral Principal Amount and a Junior Collateral Management Fee of 0.1 per cent. per annum of the Collateral Principal Amount.

See the section entitled "*Description of the Collateral Management and Administration Agreement — Collateral Management Fees*" of this Information Memorandum.

Security for the Notes . . . . . The Notes will be secured in favour of the Trustee for the benefit of the Secured Parties by security over the Portfolio. The Notes will also be secured by, among other things, an assignment by way of security of various of the Issuer's other rights, including its rights under certain of the agreements described herein. See Condition 4 (*Security*).

Sponsor . . . . . The Sponsor has selected the Infra Loan Obligations and has independently reviewed and assessed each such Infra Loan Obligation which the Issuer has agreed to purchase. The Sponsor, prior to the Closing Date, made the Warehouse Sponsor Loans available to the Issuer pursuant to the Warehouse Sponsor Loan Deed and will, on or after the Closing Date, make the Bridging Sponsor Loan and Risk Protection Sponsor Loan(s) available to the Issuer pursuant to the Closing Sponsor Loans Agreement.

Collateral Manager	Pursuant to the Collateral Management and Administration Agreement, the Collateral Manager is required to act as the Issuer's collateral manager, and the Issuer delegates authority to the Collateral Manager, with respect to the Portfolio, to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described therein. See the sections entitled "*Description of the Collateral Management and Administration Agreement*" and "*The Portfolio*" of this Information Memorandum.
Sale of Infra Loan Obligations . .	Subject to the limits described in the Collateral Management and Administration Agreement, the Collateral Manager, on behalf of the Issuer, may in certain limited circumstances dispose of any Infra Loan Obligation.
Reinvestment Infra Loan Obligations	Subject to the limits described in the Collateral Management and Administration Agreement and Reinvestment Proceeds being available for such purpose, the Collateral Manager may, in certain limited circumstances, on behalf of the Issuer, use reasonable endeavours in accordance with the terms of the Collateral Management and Administration Agreement to purchase Reinvestment Infra Loan Obligations meeting the Reinvestment Criteria during the Reinvestment Period. See the sections entitled "*Description of the Collateral Management and Administration Agreement — Sale of Infra Loan Obligations*" and "*Description of the Collateral Management and Administration Agreement — Reinvestment of Infra Loan Obligations*" of this Information Memorandum.
Risk Protection	Where an Infra Loan Obligation (other than a Defaulted Obligation) is, in the reasonable judgment of the Collateral Manager, at risk of becoming a Credit Risk Obligation or is otherwise reasonably expected to become credit impaired, the Collateral Manager may procure and/or renew any Risk Protection in respect of such Infra Loan Obligation in accordance with the terms of the Collateral Management and Administration Agreement. See the sections entitled "*Description of the Collateral Management and Administration Agreement — Risk Protection in respect of Infra Loan Obligations*" of this Information Memorandum.
Eligible Fixed Deposit	The Collateral Manager may from time to time invest any amounts standing to the credit of the Undrawn Commitment Fixed Deposit Account, the Principal Fixed Deposit Account, the Interest Fixed Deposit Account and any Eligible Depository Account in Eligible Fixed Deposits in accordance with the Conditions and the terms of the Collateral Management and Administration Agreement.

Coverage Tests . . . . . The Overcollateralisation Tests shall be satisfied on each Measurement Date, if the corresponding Overcollateralisation Ratio is at least equal to the percentage specified in the table below in relation to that Coverage Test.

The Interest Coverage Tests shall be satisfied on each Measurement Date occurring on and after the Determination Date immediately preceding the second Notes Payment Date, if the corresponding Interest Coverage Ratio is at least equal to the percentage specified in the table below in relation to that Coverage Test.

Class	Required Overcollateralisation Ratio
A/B	115.7 per cent.
C	110.0 per cent.
D	106.4 per cent.

Class	Required Interest Coverage Ratio
A/B	110.0 per cent.
C	107.5 per cent.
D	102.5 per cent.

Infra Loan Obligations in respect of which the Issuer or the Collateral Manager, on behalf of the Issuer, has agreed to purchase, but which have not yet settled, shall be included as Infra Loan Obligations in the calculation of the Coverage Tests applicable to the Portfolio at any time as if such purchase had been completed. Infra Loan Obligations in respect of which the Issuer or the Collateral Manager, on behalf of the Issuer, has agreed to sell, but which have not yet settled, shall not be included as Infra Loan Obligations in the calculation of the Coverage Tests applicable to the Portfolio at any time as if such sale had been completed.

Authorised Denomination . . . . . The Notes of each Class will be issued in minimum denominations of US$200,000 and integral multiples of US$1,000 in excess thereof.

Form, Registration and Transfer of the Notes	The Notes of each Class sold outside the United States to non-U.S. Persons in reliance on Regulation S will be represented on issue by beneficial interests in one or more Global Certificates in registered form, without interest coupons or principal receipts, which will be deposited on or about the Closing Date with, and registered in the name of a nominee of, a common depository for Euroclear and Clearstream. Beneficial interests in a Global Certificate may at any time be held only through, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream. See the sections entitled "*Form of the Notes*" and "*Summary of Provisions Relating to the Notes in Global Form*" in this Information Memorandum. Interests in any Note may not at any time be held by any U.S. Person or U.S. resident. Except in the limited circumstances described herein, the Rated Notes in definitive, certificated and registered form ("**Definitive Certificates**") will not be issued in exchange for beneficial interests in Global Certificates. See the section entitled "*Form of the Notes — Exchange for Definitive Certificates*" of this Information Memorandum. Transfers of interests in the Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in the Trust Deed. See the sections entitled "*Form of the Notes*", "*Summary of Provisions Relating to the Notes in Global Form*" and "*Transfer Restrictions*" in this Information Memorandum. Each purchaser of Notes in making its purchase will make certain acknowledgements, representations and agreements (actual or deemed). See the section entitled "*Transfer Restrictions*" of this Information Memorandum.
Governing Law	The Notes, the Trust Deed, the Collateral Management and Administration Agreement, the Sponsor Collateral Acquisition Agreements, the Agency and Account Bank Agreement, the Risk Retention Letter, the Closing Sponsor Loans Agreement and the Subscription Agreement will be governed by English law. The other Transaction Documents (including the Hong Kong Security Deed and the Corporate Services Agreement) will be governed by the laws of Hong Kong.
Listing	Application will be made to the SEHK for the listing of, and permission to deal in the Class A1-SU Notes, the Class A1 Notes, the Class B Notes, the Class C Notes and the Class D Notes. The Subordinated Notes will not be listed on any securities exchange.
Tax Status	See the section entitled "*Taxation*" of this Information Memorandum.
Withholding Tax	No gross-up of any payments will be payable to the Noteholders. See Condition 9 (*Taxation*).

EU and UK Securitisation Regulation Risk Retention Requirements . . . . . .

The Subordinated Notes have been issued to the Retention Holder pursuant to the Subscription Agreement and, pursuant to the Risk Retention Letter, the Retention Holder will undertake, as an "originator", to retain the Subordinated Notes in an amount not less than five (5) per cent. of the Principal Balance of the Infra Loan Obligations in order to comply with the Risk Retention Requirements. Pursuant to the Risk Retention Letter, the Retention Holder will give certain other covenants and representations, all in the manner, and on the terms, summarised in this Information Memorandum.

HKMC, in its capacity as Collateral Manager only, will, on behalf of the Issuer, also undertake to use reasonable endeavours to make available to Noteholders and potential investors such additional information as is required to be made available on an ongoing basis pursuant to Articles 7(1) of each of the EU Securitisation Regulation and the UK Securitisation Regulation. Each prospective investor in the Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction is sufficient to comply with the EU Securitisation Regulation and the UK Securitisation Regulation or any other applicable legal, regulatory or other requirements and none of the Issuer, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Sole Global Coordinator, the Joint Bookrunners, the Transaction Administrator, the Trustee, their respective Affiliates, corporate officers or professional advisers or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose, and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the EU Securitisation Regulation or the UK Securitisation Regulation, the implementing provisions in respect of the EU Securitisation Regulation in their relevant jurisdiction or any other applicable legal, regulatory or other requirements.

See the sections entitled "*Risk Retention Requirements*" and "*Risk Factors — Regulatory risks relating to the Notes — Securitisation Regulation Risk Retention and Due Diligence Requirements*" of this Information Memorandum.

RISK FACTORS

The Notes are complex financial instruments. Investing in the Notes involves substantial risk. Potential investors should not invest in the Notes unless they understand the terms and risks of the Notes and are able to bear the economic consequences of an investment in the Notes.

Potential investors should review this entire Information Memorandum carefully and should consider, among other things, the risks and disclaimers set out in italicised wording in the sections of this Information Memorandum entitled "Industry Overview" and "The Portfolio" (and the information in these sections of this Information Memorandum should be read and understood in the context of such risks and disclaimers) and elsewhere in this Information Memorandum. Potential investors should also review the following risk factors before deciding whether to invest in the Notes. The risks described below are not intended to be exhaustive. There may be additional risks not described below or not presently known to the Issuer or that the Issuer currently deems immaterial or remote that turn out to be material.

Each potential investor should consult its own legal, tax, regulatory, accounting, investment and financial advisers regarding the desirability of purchasing the Notes and the suitability of an investment in the Notes. Potential investors should not construe the contents of this Information Memorandum as legal, tax, regulatory, accounting, investment or financial advice. Except as is otherwise stated below, the risk factors in this section are generally applicable to all of the Notes, although the degree of risk associated with each Class of Notes will vary.

The numbers and amounts in relation to the Portfolio and the Infra Loan Obligations as disclosed in this section are estimates of the numbers or amounts as of the Closing Date, but not the numbers and amounts as of the date of this Information Memorandum. Unless otherwise indicated, those estimates are calculated as at the date of this Information Memorandum.

Risks relating to the Portfolio

The Issuer will be entirely dependent on the full and timely repayment of the Infra Loan Obligations, and a material default under one or more of the Infra Loan Obligations could affect the Issuer's ability to fulfil its payment obligations under the Notes

The Issuer's ability to fulfil its payment obligations under the Notes is entirely dependent upon the full and timely payment by the Obligors under the various Infra Loan Obligations of the amounts that they are required to pay in respect of the Infra Loan Obligations. If the Issuer does not receive the full amount due from the Obligors in respect of the Infra Loan Obligations, then Noteholders (or the holders of certain Classes of Notes) may receive by way of principal repayment an amount less than the face value of their Notes, and the Issuer may be unable to pay, in whole or in part, interest due on the Notes. While the Collateral Manager and the Issuer are not aware of any existing payment defaults by any of the Obligors in respect of the Infra Loan Obligations forming the Portfolio, there can be no assurance that such defaults will not occur in the future. Any such defaults could have a material impact on the cash flows realisable from the Portfolio, and could in turn impact the Issuer's ability to fulfil its payment obligations under the Notes. Notwithstanding that the Collateral Manager (acting on behalf of the Issuer) may, at any time, procure and/or renew any Risk Protection in respect of any Infra Loan Obligation (other than a Defaulted Obligation) which is at risk of becoming a Credit Risk Obligation to protect the Issuer against the relevant risk or potential financial loss, there is no assurance that such Risk Protection will be able to mitigate the impact of any default on the cash flows realisable from the Portfolio and the Collateral Manager has no obligation to procure and/or renew such Risk Protection.

In the event of a default on a given Infra Loan Obligation, the Collateral Manager may, together with the requisite majority of other lenders under that Infra Loan Obligation, opt to restructure the relevant Infra Loan Obligation so as to mitigate cash flow shortfalls and recover losses. However, there can be no

assurance that any such restructurings will be successful, or that such restructurings (even if they are successful) will avoid interruptions, delays, deferrals, prepayments or reductions in cash flows from the relevant Infra Loan Obligations. Additionally, in the event that the Collateral Manager elects to sell or dispose of a defaulting or non-performing Infra Loan Obligation, there can be no assurance that such sale or disposition will be successful. Even if it is successful, the proceeds of any such sale or disposition may be less than the unpaid principal and interest thereon, and could result in a substantial impairment of both the value of the Portfolio as well as the cash flows realisable from it.

The Portfolio is subject to concentration risk

The Portfolio will initially consist of 28 Infra Loan Obligations in respect of 26 projects which are located across 14 countries in the Asia-Pacific, the Middle East and the Latin America regions and diversified across 10 industry subsectors. As of the date of this Information Memorandum, the individual Infra Loan Obligations within the Portfolio range from 0.5 per cent. to 9.4 per cent. of the aggregate principal amount of the total Portfolio. A material payment default under one or more of the proportionally larger Infra Loan Obligations in the Portfolio could have a material and adverse impact on the overall cash flows arising from the Portfolio, which could in turn impact the Issuer's ability to fulfil its payment obligations under the Notes.

In addition, it is possible that a default under one or more of the Infra Loan Obligations may be highly correlated with particular geographic regions or industries represented in the Portfolio. Although the Portfolio has been selected so as to diversify geographical, industry and other exposures, there can be no assurance that such diversification will mitigate the effects of highly correlated payment deficiencies or defaults. To the extent that there are any unscheduled prepayments or refinancing of Infra Loan Obligations, the Collateral Manager may cause the Issuer to acquire Reinvestment Infra Loan Obligations during the Reinvestment Period. In addition, even where individual Infra Loan Obligations in the Portfolio are paid or otherwise satisfied in accordance with their terms, this may impact the concentration risks within the Portfolio in certain geographies, regions or industries. In any of these circumstances, it is possible that the concentration of the Portfolio in a particular Obligor, industry or country could shift in a manner that would subject the Notes to a greater degree of risk with respect to defaults by such Obligor or offtake party, and the concentration of the Portfolio in any one industry or jurisdiction would subject the Notes to a greater degree of risk with respect to economic downturns relating to such industry or jurisdiction. Concentrations of this or any other nature within the Portfolio could exacerbate the impact of any political or economic developments that occur in relation to any of the key geographical or industry sectors that comprise the Portfolio, and could accordingly have a material and adverse impact on the performance of the Infra Loan Obligations in the Portfolio.

A substantial portion of the projects in the Portfolio is located in emerging markets

The Portfolio includes Infra Loan Obligations of Obligors located in countries not being a member of the Organisation for Economic Co-operation and Development ("**OECD**"). Although the underlying credit estimates of each Infra Loan Obligation have factored in non-OECD market risks, such obligations may nonetheless involve greater risks than Infra Loan Obligations of Obligors located in OECD markets. Such risks include, among other things: (a) risks associated with political, economic and social uncertainty, including the risks of nationalisation or expropriation of assets, the imposition of sanctions against governments or individuals in the relevant jurisdictions, diplomatic developments, war and revolution; (b) fluctuations of currency exchange rates (i.e., the cost of converting foreign currency into US Dollars); (c) insufficient foreign currency reserves; (d) lower levels of disclosure and regulation in foreign securities markets than in similar markets in OECD countries; (e) confiscatory taxation, taxation of income earned in foreign nations or other taxes or restrictions imposed with respect to investment in foreign nations; (f) economic and political risks, including potential foreign exchange controls (which may include suspension of the ability to transfer currency from a given country and repatriation of investments and redenomination of US Dollar-denominated Infra Loan Obligations into local currency),

interest rate controls and other protectionist measures; (g) uncertainties as to the status, interpretation, application and enforcement of laws, including insolvency laws; (h) increased levels of offtaker and counterparty payment risk; (i) the absence of developed legal structures governing private or foreign investment and private property; (j) the potential for higher rates of inflation or hyperinflation; (k) interest rate risk; (l) lower levels of democratic accountability; (m) the potential for increased incidences of corruption; and (n) different corporate governance frameworks.

Governments of many such countries have exercised and continue to exercise substantial influence over many aspects of the private sector. In some cases, such governments may own or control many companies, including some of the largest in the country. Accordingly, government actions could have a significant effect on economic conditions in such a country and on market conditions generally. Certain such countries have also historically taken extraordinary governmental actions with respect to the assets of both domestic and foreign investors. Such actions include, among other things, expropriation, nationalisation or confiscatory taxation and limitations on the convertibility of currency or the removal of securities. Any of these actions, if taken in relation to an Obligor, could have a material and adverse impact on the underlying Infra Loan Obligation, which could in turn affect the overall commercial viability of the Portfolio.

Collateral granted to secure the Infra Loan Obligations by Obligors which are located in such markets may be subject to various laws enacted in the home countries of their issuance for the protection of creditors, which laws may differ substantially from those applicable in OECD markets. As a result, it may be difficult to obtain and enforce a judgment relating to debt in the jurisdiction in which the majority of the assets of an obligor are located. These legal uncertainties may also render it difficult and time-consuming to take control of or liquidate the collateral securing Infra Loan Obligations. In addition, each of these considerations will depend on the country in which each Infra Loan Obligation is located, and may differ depending on whether the Obligor is a sovereign or a non-sovereign entity. Although approximately 1.3 per cent. of the aggregate principal amount outstanding in the Portfolio benefits from various forms of credit enhancement from export credit agencies, the remaining approximately 98.7 per cent. of the aggregate principal amount outstanding of the Portfolio does not benefit from this support, and is therefore subject to the legal risks described above. Additionally, if a given guarantee or insurance policy is withdrawn by an export credit agency or any claims made under a given guarantee or insurance policy are either rejected or not received in full and in a timely manner, then Noteholders (or the holders of certain Classes of Notes) may receive by way of interest payment or principal repayment an amount less than what is due on the Notes (or the relevant Classes of Notes). See the section entitled "*— Risks relating to the Infra Loan Obligations and the Obligors — Certain Infra Loan Obligations are backed by export credit agencies or insurers, some of which may be state-owned and subject to government control or other geopolitical factors*" below of this Information Memorandum.

All of the foregoing factors may adversely affect the market value of any Infra Loan Obligation of an Obligor located in such markets.

The Issuer will have only limited voting rights in relation to the underlying Infra Loan Obligations in the Portfolio, and will accordingly have only limited control in administering and amending the Infra Loan Obligations

All of the Infra Loan Obligations in the Portfolio are structured as syndicated lending facilities pursuant to which debt has been advanced to the relevant Obligor by multiple lenders under one or more tranches of loans. All of the Infra Loan Obligations in the Portfolio are, and the Collateral Manager expects that any future Infra Loan Obligations will continue to be, minority lending interests in the underlying project loans, and, as a holder of such minority interests, the Issuer will have limited consent and control rights and such rights may not be effective in view of the expected proportion of such obligations held by the Issuer.

The terms and conditions of the loan facilities which underlie each of the Infra Loan Obligations may be amended, modified or waived only by the agreement of the requisite majority of lenders. Generally, any such amendment, modification or waiver will require the consent of a majority or a supermajority (measured by outstanding loans or commitments) or, in certain circumstances such as any change to any scheduled repayment or any payment of interest (including margin), a unanimous vote of the lenders. Because the Infra Loan Obligations in the Portfolio are likely to constitute only a minority interest in such underlying loan facilities, the terms and conditions of such underlying loan facilities could be modified, amended or waived in a manner contrary to the preferences or interests of the Collateral Manager, the Issuer or the Noteholders if the amendment, modification or waiver of any term or condition does not require the unanimous vote of the lenders and a sufficient number of the other lenders concur with such modification, amendment or waiver. In particular, given the expectation that none of the Infra Loan Obligations held by the Issuer constitute a majority of the total outstandings under the underlying loan, the remedies of the Issuer and the Collateral Manager with respect to the collateral securing such Infra Loan Obligation will be subject to the decisions made by, or including, other lenders to that Obligor, which may affect the ability of the Issuer and the Collateral Manager to effect a timely realisation of the value of any collateral securing that Defaulted Obligation. In addition, the Issuer has agreed to restrict its voting rights in respect of certain of the Infra Loan Obligations held by it. See also the sections entitled "*— Risks relating to the Portfolio — A portion of the Portfolio will consist of Participations, which have limited rights vis-à-vis Obligors and collateral compared with Novations*" and "*— Risks relating to the Infra Loan Obligations and the Obligors — Certain Infra Loan Obligations are backed by export credit agencies or insurers, some of which may be state-owned and subject to government control or other geopolitical factors*" below of this Information Memorandum. There can be no assurance that any Infra Loan Obligations in the Portfolio will maintain the same terms and conditions as of the Closing Date.

A portion of the Portfolio will consist of Participations, which have limited rights vis-à-vis Obligors and collateral compared with Novations

The Collateral Manager, acting on behalf of the Issuer, may elect to acquire interests in Infra Loan Obligations either directly (by way of novation) or indirectly (by way of funded participation interests with the Originating Banks or the Sponsor). Interests in loans acquired directly by way of novation are referred to herein as "**Novation Interests**". Interests in loans taken indirectly by way of funded participation are referred to herein as "**Participation Interests**".

The Issuer, as the purchaser of a Novation Interest, typically succeeds to all the rights and obligations of the relevant Originating Bank or the Sponsor (which itself typically succeeds to all the rights and obligations of the relevant Originating Bank with respect to the relevant loan) as applicable and becomes entitled to the benefit of the relevant loan and the other rights and obligations of the lender under the relevant Credit Documentation in respect of such loan. As a purchaser of a Novation Interest, the Issuer will generally have the right to receive directly from the Obligor all payments of principal and interest arising from the underlying Infra Loan Obligation, and will typically have the same rights and obligations as other lenders under the relevant Credit Documentation in respect of such Infra Loan Obligation to waive enforcement of breaches of covenants. In such an instance, the Issuer will generally also have the same rights as other lenders to enforce compliance by the Obligor with the terms of the relevant Credit Documentation in respect of such Infra Loan Obligation, set off claims against the Obligor and have recourse to collateral supporting the Infra Loan Obligation. As a result, the Issuer will generally not bear the credit risk of the Originating Bank, and the insolvency of the Originating Bank should have no effect on the ability of the Issuer to continue to receive payment of principal or interest from the Obligor once the novation is complete. The Issuer will assume the credit risk of the Obligor once the novation is complete. The purchaser of a Novation Interest also typically succeeds to and becomes entitled to the benefit of any other rights of the Sponsor or relevant Originating Bank (as applicable) in respect of the Credit Documentation in respect of the relevant Infra Loan Obligation, including the right to the benefit of any security granted in respect of the loan interest transferred. The relevant Credit Documentation usually contains mechanisms for the transfer of the benefit of the loan to be transferred and the security

relating thereto. The efficacy of these mechanisms is rarely tested, if ever, and there is debate among counsel in civil law jurisdictions over their effectiveness. With regard to some of the Credit Documentation, security will have been granted over assets in different jurisdictions. Some of the jurisdictions will require registrations, filings or other formalities to be carried out not only in relation to the transfer of the loan but, depending on the mechanism for transfer, also with respect to the transfer of the benefit of the security.

By contrast, participations by the Issuer in an Originating Bank's or the Sponsor's (as applicable) portion of an underlying loan will typically arise from the transfer (by novation) by the Sponsor to the Issuer of the Sponsor's interests under its underlying funded participation agreement with the Originating Bank or the entry into by the Issuer of a funded participation with the Sponsor, resulting in a contractual relationship only with the Originating Bank or the Sponsor and not with the Obligor under such loan. In these instances, the Issuer will only be entitled to receive payments of principal and interest to the extent that the Originating Bank or the Sponsor (as applicable) has received such payments from the Obligor. In holding Participation Interests, the Issuer generally will have no right to enforce compliance by the Obligor with the terms of the relevant Credit Documentation in respect of such Infra Loan Obligation, and may not directly benefit from the collateral supporting the loan in respect of which it has purchased a Participation Interest. As a result, the Issuer will assume the credit risk of both the Obligor and the Originating Bank or the Sponsor (as applicable). In the event of the insolvency of the Originating Bank or the Sponsor, the Issuer may be treated as a general creditor of the Originating Bank or the Sponsor and may not benefit from any set-off between the Originating Bank or the Sponsor and the Obligor, and it may suffer a loss to the extent that the Obligor sets off claims against the Originating Bank or the Sponsor. When the Issuer holds a Participation in a loan, the Issuer generally will not have the right to participate directly in any vote to waive enforcement of any covenants breached by an Obligor. An Originating Bank or the Sponsor voting in connection with a potential waiver of a restrictive covenant may have interests which are different from those of the Issuer and (absent express undertakings to the contrary from the Originating Bank or the Sponsor) that Originating Banks or the Sponsor may not be required to consider the Issuer's interests in connection with the exercise of its votes, and the Issuer will therefore only be able to enforce compliance by the Obligor with the terms of the relevant Credit Documentation in respect of such Infra Loan Obligation by acting (if such actions are permitted under the terms of the relevant participation agreements) through the Originating Bank or the Sponsor. Whilst the terms of the funded participation agreement entered into between the Issuer and an Originating Bank or the Sponsor generally provide for a right on the part of the Issuer to request that the Participation Interest be elevated to a direct interest in the participated loan, such right may be limited by a number of factors and circumstances (including, for example, documentary or regulatory restrictions that would operate to prevent the Issuer from becoming a lender of record under the loan), and there can be no assurance that such elevation will ever take place.

Approximately 23.8 per cent. of the aggregate principal amount of the Infra Loan Obligations constitutes Participation Interests, and there are associated risks with such Participation Interests as opposed to Novation Interests.

As at the Closing Date, the Portfolio includes Infra Loan Obligations where the Issuer has an unfunded lending commitment

While the majority of the Infra Loan Obligations in the Portfolio involve fully-funded Loans, the Portfolio also includes Infra Loan Obligations that involve partially-drawn or undrawn lending commitments that have been transferred to the Issuer, in an aggregate commitment amount of US$34.0 million with the outstanding commitment amount being US$1.9 million. These partially-drawn or undrawn lending commitments constitute 8.0 per cent. of the total commitment amount of the Portfolio (on a fully drawn basis). In order to fund the financing obligations of the Issuer of such Infra Loan Obligations, the Issuer will deposit US$1.9 million from the net proceeds of the Notes into the Undrawn Commitment Account, and will be permitted to effect withdrawals from the Undrawn Commitment

Account in order to fund the financing obligations of the Issuer in respect of such Infra Loan Obligations. The Issuer will be required to maintain its lending commitment in respect of its financing obligations of such Infra Loan Obligations for the full duration of the availability period applicable to those Infra Loan Obligations.

The undrawn commitment of the relevant Infra Loan Obligations may accrue commitment fees pending the utilisation of such amounts as Loans. However, any income generated by the Issuer on the amounts in the Undrawn Commitment Account may not be sufficient to fully cover the obligations of the Issuer to pay interest on such amounts under the terms of the Notes. In addition, there can be no assurance that all of the amounts in the Undrawn Commitment Account will be utilised to fund the undrawn commitment of the relevant Infra Loan Obligations. So long as the funds in the Undrawn Commitment Account are not fully deployed, the Issuer will service its interest payment obligations on these amounts from the cash flows received by it in respect of the fully funded Infra Loan Obligations in the Portfolio and interest on the balance of the Undrawn Commitment Amount and commitment fees in respect of the Infra Loan Obligations with an undrawn commitment. In addition, to the extent that there is a failure to utilise all of the amounts available under the Infra Loan Obligations with an undrawn commitment arises from the delay or non-completion of the underlying infrastructure projects, this could also have an adverse impact on the cash flows from the Portfolio, which could in turn impact the Issuer's ability to fulfil its payment obligations under the Notes.

Only limited disclosure has been, and in future is likely to be, made available in relation to the Obligors and the Infra Loan Obligations, and these limited disclosures may not fully identify the material risks from time to time associated with the Infra Loan Obligations

Compared with general corporate issuers, there is only limited public information available about the Obligors. Certain of the Obligors are not public companies and, accordingly, both the Obligors and the Infra Loan Obligations with which they are associated will not typically be subject to periodic public reporting requirements under applicable corporate or securities laws or regulations. The Collateral Manager and the Issuer have had to make an investment determination in respect of each of the Infra Loan Obligations on the basis of the information that is available to them. While the Collateral Manager has initiated various due diligence processes in evaluating the suitability of each of the Infra Loan Obligations for inclusion in the Portfolio, there can be no assurance that the information that has been made available to the Collateral Manager and the Issuer sufficiently or fulsomely identifies all of the material risks associated with each of the Infra Loan Obligations or the Obligors. To the extent that any material information has been withheld from the Collateral Manager and the Issuer in relation to any Infra Loan Obligation or any Obligor, such information would not have been considered in determining the suitability of such Infra Loan Obligation for the Portfolio and may give rise to subsequent material adverse developments in relation to any such Infra Loan Obligation that were not accounted for by the Sponsor, the Collateral Manager or the Issuer in structuring the initial Portfolio or selecting any Reinvestment Infra Loan Obligation.

For the same reasons, it may be difficult for the Collateral Manager to obtain current operating and financial information concerning an Obligor in the course of administering the Portfolio and when evaluating a proposed investment in an Infra Loan Obligation or a proposed disposition of, or an amendment to, or restructuring of, an Infra Loan Obligation.

The Collateral Manager will typically receive from each Obligor (as applicable) quarterly, semi-annual and annual construction and operating reports relating to the project, as well as semi-annual and annual financial statements from each Obligor. However, there can be no assurance that such information will be made available to the Collateral Manager and the Issuer sufficiently, fulsomely or in a timely manner. To the extent that any material information is withheld from, or not provided in a timely manner to, the Collateral Manager and the Issuer, such information may not be considered by the Collateral Manager or the Issuer in the course of administering the Portfolio, and when evaluating a proposed investment in an

Infra Loan Obligation or a proposed disposition of, or an amendment to, or restructuring of, an Infra Loan Obligation. This may give rise to subsequent material adverse developments in relation to one or more Infra Loan Obligations that were not accounted for by either the Collateral Manager or the Issuer in administering the Portfolio.

In addition, even if such current operating and financial information relating to the performance of an Obligor or an Infra Loan Obligation is made available to the Collateral Manager, disclosure of any such information to the Noteholders may not be permitted due to the confidentiality or other restrictions that have been imposed on the Collateral Manager and the Issuer pursuant to the Credit Documentation underlying each Infra Loan Obligation. Consequently, the Collateral Manager and the Issuer may be in possession of financial and other information concerning the Obligors and Infra Loan Obligations that they are not permitted to disclose to Noteholders, some of which could be material to the Noteholders. Accordingly, the Noteholders may not receive confidential or other non-public information regarding, or any notices or related documents in respect of, some or all of the Obligors or Infra Loan Obligations.

Under the Collateral Management and Administration Agreement, the Transaction Administrator has agreed to certain monitoring and reporting obligations. The Quarterly Reports and the Payment Date Reports made available to Noteholders will be compiled by the Transaction Administrator on behalf of the Collateral Manager and the Issuer based on certain information provided to it by the Collateral Manager.

Information in the reports will not be audited, nor will reports include a review or opinion by a public accounting firm. Except for the limited information provided in such reports, the Noteholders will have no right to obtain additional information concerning the Infra Loan Obligations in the Portfolio or the relevant Obligors, whether from the Collateral Manager, the Transaction Administrator, the Issuer or any other person. In addition, the Noteholders should take note that the historical information in the section "*The Portfolio*" is current only as at the reference date stated in that section and, accordingly, will be out of date as changes occur to the Infra Loan Obligations after the reference date used in such section.

Noteholders will be dependent upon the judgment and ability of the Collateral Manager in administering the Portfolio

The Collateral Manager has been appointed under the Collateral Management and Administration Agreement to act as Collateral Manager in respect of the Portfolio pursuant to and in accordance with the parameters and criteria set out in the Collateral Management and Administration Agreement. The powers and duties of the Collateral Manager in relation to the Portfolio include effecting, on the Issuer's behalf, in accordance with the provisions of the Collateral Management and Administration Agreement, (a) the acquisition of the Portfolio, (b) the acquisition of any Reinvestment Infra Loan Obligations or refinancing of any Refinancing Infra Loan Obligations during the Reinvestment Period in certain limited circumstances, such as, early repayment of an Infra Loan Obligation in full during the Reinvestment Period or where an Infra Loan Obligation has become a Defaulted Obligation or a Credit Risk Obligation, or where a Non-Eligible Sustainability Infra Loan Obligation is disposed of to be replaced by one or more Eligible Sustainability Infra Loan Obligations, (c) procurement and/or renewal of Risk Protection, (d) procurement of Eligible Fixed Deposit investments, and (e) the ongoing administration of the Portfolio, including in relation to any waivers or amendments that may from time to time be required in respect of Infra Loan Obligations comprising the Portfolio. See the sections entitled "*Description of the Collateral Management and Administration Agreement*" and "*The Portfolio*" of this Information Memorandum.

Under the Collateral Management and Administration Agreement, the Collateral Manager has the ability to exercise or enforce, or refrain from exercising or enforcing, any or all of the Issuer's rights in connection with the Infra Loan Obligations or any related documents, or will refuse amendments or waivers of the terms of any underlying asset and related documents in accordance with its portfolio management practices and the standard of care specified in the Collateral Management and

Administration Agreement. In discharging its obligations under the Collateral Management and Administration Agreement, the Collateral Manager may from time to time be required to take decisions on the basis of subjective valuations and assessments which may not necessary be in line with the expectations of the Noteholders.

The Noteholders will not have any right to compel the Collateral Manager to take or refrain from taking any actions other than in accordance with its portfolio management practices, the management criteria and the standard of care specified in the Collateral Management and Administration Agreement.

In addition, the Collateral Manager may, in accordance with its portfolio management practices and subject to the management criteria and its rights, obligations and discretions as set out in the Trust Deed and the Collateral Management and Administration Agreement, agree on the Issuer's behalf (to the extent of the Issuer's voting rights (if any) with respect to any Infra Loan Obligation) to extend or defer the maturity, or adjust the outstanding balance of any underlying asset, or otherwise amend, modify or waive the terms of any related Credit Documentation, including the payment terms thereunder. Any amendment, waiver or modification of an underlying asset could postpone the expected maturity of the Notes or reduce the likelihood of timely and complete payment of interest on or principal of the Notes.

See the section entitled "*— Risks relating to the Issuer and the Collateral Manager*" below of this Information Memorandum.

The Collateral Manager's ability to dispose of Infra Loan Obligations is limited

Subject to the limited exceptions described herein, the Portfolio has been designed primarily as a static pool of Infra Loan Obligations. Infrastructure and project finance loans tend to be an illiquid asset class, and accordingly the Infra Loan Obligations acquired or committed to be acquired by the Issuer as at or before the Closing Date are likely to be retained by the Issuer unless they are either prepaid or become Defaulted Obligations, in which case such Infra Loan Obligations may be disposed of by the Collateral Manager (on behalf of the Issuer).

The Collateral Manager is only permitted to purchase Reinvestment Infra Loan Obligations during the Reinvestment Period in certain limited circumstances as set out in the Trust Deed and the Collateral Management and Administration Agreement. Such circumstances include the early repayment of an Infra Loan Obligation in full during the Reinvestment Period, the cancellation of an Undrawn Commitment (or the expiry of the availability period relating to an Undrawn Commitment) during the Reinvestment Period, where an Infra Loan Obligation has become a Refinancing Infra Loan Obligation, where an Infra Loan Obligation has been sold because it has become a Defaulted Obligation or a Credit Risk Obligation, or was reasonably expected to become credit impaired in the reasonable opinion of the Collateral Manager, or was otherwise subject to, or in the sole opinion of the Collateral Manager, will be subject to a Collateral Tax Event or where a Non-Eligible Sustainability Infra Loan Obligation is disposed of and to be replaced by one or more Eligible Sustainability Infra Loan Obligations. In such circumstances (other than where an Infra Loan Obligation has become a Refinancing Infra Loan Obligation), the Collateral Manager may (on behalf of the Issuer) sell such Infra Loan Obligations, **provided that** in relation to the sale of a Credit Risk Obligation only, the aggregate principal amount of any Credit Risk Obligation that is so disposed of by the Collateral Manager does not exceed 30 per cent. of the Collateral Principal Amount (calculated as of the Closing Date) in any given 12-month period. Any sale of Credit Risk Obligations exceeding such threshold shall be subject to a Rating Agency Confirmation. In addition, the Collateral Manager may, during the Reinvestment Period and prior to the redemption in full of the Class A1-SU Notes, dispose of any Non-Eligible Sustainability Infra Loan Obligation on behalf of the Issuer, **provided that** the Collateral Manager shall use reasonable endeavours to use the Disposal Proceeds thereof to purchase one or more Eligible Sustainability Infra Loan Obligations and (where the purchase price of such Eligible Sustainability Infra Loan Obligations is less than such Disposal Proceeds) the remaining amount of such Disposal Proceeds shall be applied in accordance with the applicable Priority

of Payments. Each Reinvestment Infra Loan Obligation must meet the Reinvestment Criteria for inclusion in the Portfolio. However, there is no guarantee that the Collateral Manager, on behalf of the Issuer, will be able to effect such dispositions or reinvestments.

Prepayments of Infra Loan Obligations could potentially result in a reduction of portfolio yield and interest collection

Infra Loan Obligations may, in certain instances, be prepaid in whole or in part at the option of the Obligors or upon the occurrence of various prepayment events. Prepayments on Infra Loan Obligations may be caused by a wide variety of economic and other factors, including, but not limited to, the level of supply and demand in the loan and bond markets, general economic conditions, levels of relative liquidity for infrastructure and project finance loans, funding cost of, and regulatory capital charges applicable to, banks in respect of infrastructure and project finance, the actual and perceived level of credit risk in the infrastructure and project finance loan market, regulatory changes and such other factors that may affect pricing in the infrastructure and project finance market, which are difficult to predict.

In the event of any unscheduled principal prepayment of an Infra Loan Obligation, there can be no assurance that the Collateral Manager will be able to identify or purchase Reinvestment Infra Loan Obligations with comparable interest rates or (if the Collateral Manager is able to make such reinvestments) as to the length of any delays before such investments are made. In addition, declining credit spreads and increasing rates of prepayments and refinancings will likely result in a reduction of portfolio yield and interest collection on the Infra Loan Obligations, which would have an adverse effect on the amount available for distributions on Notes, beginning with the Subordinated Notes as the most junior Class.

There is a limited secondary market for project loans and interests and participations therein, which is likely to impact the ability of the Collateral Manager to dispose of Infra Loan Obligations within the Portfolio

The market value of the Infra Loan Obligations included in the Portfolio generally will fluctuate with, among other things, the financial condition of the Obligors of the Infra Loan Obligations included in the Portfolio, the remaining term to maturity, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. In addition, Infra Loan Obligations and interests therein are not generally traded on organised exchanges or markets, but are principally traded in privately negotiated transactions between banks and other institutional investors. As a result, the Portfolio is subject to higher liquidity risks with respect to the Infra Loan Obligations as compared with the corporate bond market. Such illiquidity may adversely affect the price and timing of liquidation of the Infra Loan Obligations upon the liquidation of the Portfolio following the occurrence of a Note Event of Default with respect to the Notes or if it is necessary for it to sell Infra Loan Obligations to repay indebtedness in order to effect a redemption of the Notes.

To the extent that a default occurs with respect to any Infra Loan Obligation and the Collateral Manager (acting on behalf of the Issuer) sells or otherwise disposes of such Infra Loan Obligation (in each case in accordance with the terms of the Collateral Management and Administration Agreement, the Trust Deed and each other applicable Transaction Document), the proceeds of such sale or disposition are likely to be less than the unpaid principal and interest thereon. Even in the absence of a default with respect to any of the Infra Loan Obligations, the general illiquidity of infrastructure and project finance loans means that the market value of such Infra Loan Obligations could at any time vary, and may vary substantially, from the price at which such Infra Loan Obligations were initially purchased and from the principal amount of such Infra Loan Obligations. Accordingly, no assurance can be given as to the amount of proceeds of any sale or disposition of such Infra Loan Obligations at any time, or that the proceeds of any such sale or disposition would be sufficient to repay a corresponding par amount of principal of and interest on the Notes.

In addition, the Infra Loan Obligations may be subject to certain other assignment and transfer restrictions and consent requirements that may contribute to illiquidity. Accordingly, no assurance can be given that, if the Collateral Manager disposes of a particular Infra Loan Obligation in accordance with the terms of the Collateral Management and Administration Agreement, the Trust Deed or other applicable transaction document, such disposal can be undertaken at the previously prevailing market price or at all.

Risks relating to the Infra Loan Obligations and the Obligors

The majority of the Infra Loan Obligations are structured as limited recourse or non-recourse loans

The majority of the Infra Loan Obligations in the Portfolio are limited recourse or non-recourse loans that have been extended to finance the development, construction, expansion or operation of a particular infrastructure project, while a small portion of the Infra Loan Obligations in the Portfolio (21.9 per cent. of the aggregate principal amount outstanding of the initial Portfolio as at the Closing Date) are general corporate loans or acquisition loans.

For the Infra Loan Obligations that are limited recourse or non-recourse loans in the Portfolio, payments of amounts due on such Infra Loan Obligations are generally secured only by the revenues generated by, and assets of, that infrastructure project and equity interests in, and shareholder loans made to, the Obligor from shareholders of the Obligor as part of the equity funding, rather than the general assets or credit of the project sponsors or any other person. Project revenues may be subject to substantial variability, including for the reasons described herein. Any circumstance that reduces project revenues may result in a failure to pay principal and interest on the related Infra Loan Obligation when due, which may, in turn, adversely affect the ability of the Issuer to pay principal and interest to the Noteholders.

Lenders of Infra Loan Obligations typically have recourse only to the assets of the underlying project and the Obligor itself and equity interests in, and shareholder loans made to, the Obligor from shareholders of the Obligor. While some Infra Loan Obligations benefit from credit support from shareholders of the Obligors or other third parties, there can be no assurance that such credit support will be available as a general rule.

Obligors typically do not conduct any business, nor will they own any material assets other than in connection with the development, construction, expansion or operation of the projects. Accordingly, payment of principal and interest on the Infra Loan Obligations when due is dependent upon successful development, construction and operation of the projects, the underlying contractual arrangements and the sale or offtake of the project output. The ability of an Obligor to make required payments under the Infra Loan Obligations will primarily be a function of the availability of sufficient revenues derived from the project, after the payment of operating expenses and certain other obligations, proceeds of which follow a cash flow waterfall in a secured account on behalf of the project lenders. Any failure or underperformance of an underlying project may impact the Obligor's ability to meet its payment and other obligations under the relevant Infra Loan Obligations, which could, in turn, have an adverse impact on the cash flows of the Portfolio.

For the Infra Loan Obligations that are general corporate loans or acquisition loans in the Portfolio, while most of these Infra Loan Obligations have the benefit of certain security, the assets subject to such security may be broader or narrower in scope than any particular project owned by the relevant Obligor and/or its Affiliates. The lenders of such Infra Loan Obligations may also have wider recourse to other businesses or assets of the Obligor and its Affiliates as well as guarantees from other entities in the obligor's corporate group, instead of only the assets of the underlying project and the Obligor itself and equity interests in, and shareholder loans made to, the Obligor from shareholders of the Obligor. However, on the other hand, such general corporate loans or acquisition loans may have fewer covenants or restrictions on matters such as debt incurred by the relevant obligors and how revenues generated by, and assets of, projects held by the relevant Obligors are handled, so lenders of such loans may have less

control over how the relevant Obligors manage their projects, related assets and revenues or other businesses owned by them and may take more general corporate credit and business risks on the obligors of such loans.

The projects and the Obligors of the Infra Loan Obligations are subject to significant regulatory, development, operating and market risks, and may experience unexpected disruptions that are beyond their control

Obligors are subject to numerous development and operating risks and hazards, many of which are beyond their control. Such risks and hazards include, among other things:

(1) Regulatory, compliance and jurisdictional risk

Many projects require the relevant Obligor to obtain and maintain relevant government licences, permits or approvals. Certain projects, particularly those relating to infrastructure development or natural resource extraction, are substantially dependent on government or private concessions. Any such licences, permits, approvals or concessions may be subject to certain conditions and approvals, and may only be issued for a stipulated period of time. Any failure on the part of an Obligor to satisfy or renew any relevant conditions or approvals on a timely basis could prevent or delay construction or operation of the project, and result in cost overruns, operational restrictions, decreased revenues or additional penalties, fees or taxes. There can be no assurance that any project will be constructed or continue to operate in accordance with all applicable licences, permits, approvals or concessions, or that the conditions imposed in relation to any such licences, permits, approvals or concessions will be maintained throughout the term of an Infra Loan Obligation. A breach of a material licence, permit, approval or concession by the relevant Obligor could result in such licence, permit, approval or concession being revoked. In addition, lenders relating to the Infra Loan Obligations generally require Obligors to undertake to comply with applicable laws and regulations (including those relating to anti-money laundering, anti-corruption and sanctions) in all relevant jurisdictions. Any failure on the part of that Obligor to do so may constitute an event of default under the terms of the relevant Credit Documentation in respect of the relevant project, which could result in the relevant lenders relating to the Infra Loan Obligation terminating their commitments to Obligors or accelerating the repayment of principal and interest under that Infra Loan Obligation. Any of these events could have a material adverse impact on the development or operation of the relevant underlying project and on the operations of that Obligor, and could further result in that Obligor being unable to make full and timely repayment of the relevant Infra Loan Obligation.

Certain of the jurisdictions in which projects in the Portfolio are located have less developed legal systems than more established economies, which could result in risks such as a higher degree of discretion on the part of governmental authorities, ineffective legal redress in the courts of such jurisdictions, difficulties in enforcing legal rights and judgments and uncertainties as to the status, interpretation and application of laws, a lack of judicial or administrative guidance on interpreting applicable local rules and regulations, inconsistencies or conflicts between and within various laws, regulations and judgments, or relative inexperience of the judiciary and courts in such matters.

Furthermore, in certain of such jurisdictions, the legal regime regulating certain infrastructure projects and other activities which Obligors may undertake may be less developed or relatively unclear. As a result, certain Obligors may be unable to establish, protect or defend legal rights or title to assets in such jurisdictions reliably, and lenders may face uncertainties as to the obtaining or enforcement of a first priority perfected security interest in the assets of a project. There can therefore be no assurance that the proceeds of any collateral securing an Infra Loan Obligation will be available on a timely basis in the case of default or will be sufficient to pay in full amounts due on that Infra Loan Obligation.

In addition, although projects may include certain protections for changes in law and regulation (e.g., via government compensation, termination provisions or specific lender rights), such rights may be limited by consent or other similar requirements (i.e., discretionary ministerial, governmental or sovereign approvals). Any limitation on or delay in an Obligor's ability to obtain any payments as a result of such consent or other requirements may impact the Obligor's ability to meet its payment and other obligations in full.

In addition, changes in laws, rules, regulations, administrative or judicial orders or interpretations and similar events affecting the operation of a project may impose substantial additional costs on an Obligor or reduce an Obligor's revenue in a manner or an amount that was not anticipated at the time the loan with respect to an Infra Loan Obligation was extended. Such changes in laws, rules, regulations, administrative or judicial orders or interpretations and similar events may occur while the Notes are outstanding, and there can be no assurance that such regulatory changes would not decrease the output or efficiency of a given project, increase the operating or maintenance costs of such project or require the shutdown, refitting or renovation of such project, and thereby impact the project's cash flows and the ability of the Obligor to service the relevant Infra Loan Obligation. Although the project documents to which the Obligor is a party may provide for compensation or other similar mechanisms for payment to be paid to the Obligor which may then be available to repay the Infra Loan Obligations, the absence or, even if available, potential inadequacy, of any such compensation or similar payment mechanisms, or any delay or failure in payment under such mechanisms, could result in the Obligor incurring substantial costs, and could potentially impact the ability of that Obligor to meet its obligations under the underlying Infra Loan Obligations. See the section entitled "*— Risks relating to the Portfolio — A substantial portion of the projects in the Portfolio is located in emerging markets*" above of this Information Memorandum.

(2) Construction, completion and performance risk

As at the date of this Information Memorandum, 1 out of 26 projects (representing approximately 8.0 per cent. by aggregate principal amount of the Infra Loan Obligations of the Portfolio) has not achieved mechanical or operational completion. The progress of the project's construction may be adversely affected by one or more factors commonly associated with large greenfield industrial projects, including shortages of equipment, materials and labour, delays in delivery of equipment and materials, labour disputes, political events, pandemics, local or political opposition, blockades or embargoes, litigation, adverse weather conditions, unanticipated increases in costs, natural disasters, accidents, unforeseen engineering, design, environmental or geological problems and other unforeseen circumstances. Although an Obligor may seek to allocate such risks to other project counterparties (such as engineering procurement and construction or shipbuilding contractors under fixed time and price arrangements), any such unallocated risks arising as a result of any of these events or other unanticipated events could give rise to delays or cost increases in the construction of the project (including cost overruns resulting from additional interest charged due to construction delays) and delays in its mechanical and operational completion. This could prevent an Obligor from completing construction of a project by the scheduled date of completion, cause defaults under its financing agreements (including the Infra Loan Obligations) or cause the project to be unprofitable for the Obligor, including cases in which penalties are levied or tariff rates change unfavourably due to the delay, or otherwise impair its business, financial condition and results of operations. In such an event, there can be no assurance that the project sponsors or any other persons will have sufficient funds available to provide additional equity funding, or that the conditions to funding by third-party debt providers will be satisfied in order to meet payments of project capital and operating expenses prior to mechanical and operational completion.

Certain project concessions or offtake arrangements may require the Obligor to complete project construction by a certain date. The commodity sale or offtake contracts that the Obligor has entered into may also require the Obligor to begin production by a certain date. If there are significant delays in the completion of a project, the underlying offtake arrangement (and, in some cases, the underlying concession) may be subject to termination without refunding costs incurred by the Obligor, and the Obligor may be liable for damages to the relevant counterparties.

Completed projects are often subject to ongoing performance requirements. For example, many offtake arrangements provide for certain penalties or liquidated damages which will be payable by an Obligor if its project performance does not meet certain levels. Such penalties may include the payment of damages or compensation in connection with unavailability of contracted project output, inability to meet minimum supply obligations or non-satisfaction of certain other conditions. In addition, the terms of most offtake arrangements do not require the counterparties to reimburse an Obligor for any increased costs arising as a result of the project's failure to operate within the agreed norms. Any operational disruptions to a project could therefore have a material impact on the Obligor's ability to meet its obligations under its offtake arrangements, which, in turn, would have an adverse effect on its business, cash flows, financial condition and results of operations and adversely affect its ability to meet its obligations under the Infra Loan Obligations.

Any of the above factors could have a material adverse impact on the business, financial condition and results of operations of an Obligor, which could impair its ability to make interest payments or scheduled repayments under the Infra Loan Obligations.

(3) Offtaker risk

Many Obligors depend in large part on offtake, charter-party or similar arrangements for their revenues. Such arrangements typically consist of a third party agreeing to purchase all or a specified portion of the output from the project (such as electricity or water) at predetermined prices. While some Obligors have the benefit of multiple offtake arrangements in respect of a single project, other Obligors have entered into sole offtaker arrangements, which result in increased reliance on a single counterparty. If an offtake counterparty refuses to renew a material offtake arrangement, imposes material pricing or other conditions on any renewal of a material offtake arrangement, or fails to perform its obligations under the offtake arrangements to which it is a party (including as a result of the insolvency of that offtake counterparty), it may not be possible for that Obligor to enter into or renew such offtake arrangements on commercially acceptable terms or at all. Certain infrastructure projects, such as power generation projects, desalination plants or mining operations, among others, are constructed with a view to "tying-in" their output via a physical transmission line or pipeline to their offtaker's facilities. In such instances, any failure by the offtaker to renew or perform its obligations under the offtake arrangements would significantly impact the operations of the underlying projects because it may not be commercially or technically feasible for the Obligor to find a replacement offtaker for the output of the relevant project.

In addition, certain Obligors have entered into offtake arrangements with government entities. These Obligors may face difficulties in enforcing guarantees against government entities compared with guarantees granted by private sector procurers. Any failure on the part of a governmental or other offtake counterparty to perform its obligations under the relevant offtake agreement or guarantee is a sovereign-related risk, and could have a significant impact on the cash flows, income, business prospects and results of operations of a project, and could accordingly adversely affect the ability of an Obligor to make payments in full of amounts due under the loan relating to the relevant Infra Loan Obligation.

(4) Supplier risk

The ability of an Obligor to operate its project and generate revenues may depend in large part on supply or similar arrangements where a third party agrees to provide all or a specified portion of the raw materials, maintenance services or other specialised inputs used by such projects. Certain Obligors may be reliant on the availability of services or raw materials on commercially reasonable terms from a limited number of key providers in the jurisdictions in which they operate. As a result, Obligors rely heavily on such third parties to satisfactorily perform and fulfil these obligations. Loss of any of these essential supply or servicing arrangements for any reason, an increase in the price of such raw materials, or failure by a supplier or service contractor to perform its obligations under the relevant arrangements (including as a result of the insolvency of the supplier or contractor) may adversely affect the ability of such Obligors to operate such projects and therefore the ability of the related Obligors to make payments in full of amounts due under the loan relating to the relevant Infra Loan Obligation. Further, such risk is exacerbated where there is only a sole supplier arrangement for a project, which might result in increased reliance on a single supplier counterparty. If such supplier counterparty refuses to renew a material supply arrangement, imposes material pricing or other conditions on any renewal of a material supply arrangement, or fails to perform its obligations under the supply arrangements to which it is a party (including as a result of the insolvency of that supplier counterparty), it may not be possible for that Obligor to enter into or renew such supply or servicing arrangements on commercially acceptable terms or at all.

In addition, the supply arrangements of certain projects may depend on the use of utilities or infrastructure such as power, water or telecommunications infrastructure such as ports, pipelines or transmission capacity associated with or situated proximate to such projects. Any limitation on such projects' ability to use such utilities or infrastructure, including where such supply of utilities or use of infrastructure would require new infrastructure to be constructed by third parties and therefore is beyond the Obligor's control, could adversely affect revenues and the ability to make payments under the loan relating to the relevant Infra Loan Obligation.

(5) Operating risk

Obligors are subject to numerous operating risks and hazards normally associated with infrastructure projects. These operating risks and hazards include unanticipated climatic conditions such as flooding or drought, metallurgical and other processing problems, information technology and technical failures, unavailability of materials and equipment, interruptions to power or other utility supplies, industrial actions or disputes, industrial accidents, labour force insufficiencies, disputes or disruptions, unanticipated logistical, infrastructure and transportation constraints, tribal action or political protests, force majeure factors, sabotage, cost overruns, environmental hazards, fire, explosions, vandalism and crime. Such risks and hazards could result in underperformance of projects or damage to, or destruction of, properties or production facilities, cause production to be reduced or to cease at those properties or production facilities, result in a decrease in the quality of the products, increased costs or delayed supplies, personal injury or death, environmental damage, business interruption and legal liability and in actual production differing from projected production. Obligors generally hold insurance coverage for a range of these unanticipated business interruption and environmental hazards (often in respect of both physical damage and lost revenues); however, such insurance coverage does not guarantee that the Infra Loan Obligations will be paid on a timely basis in full.

Certain projects, including, but not limited to, projects that are subject to reserve or resource risk, such as mining and renewable energy generation industries, are also constructed based on estimated reserve reports, resource forecasts and other projections that have been prepared or reviewed by industry professionals. Such projections and estimates rely substantially upon certain

technical, geological, meteorological and other assumptions, which involve uncertainty and require both Obligors and their consultants or advisers to exercise considerable judgment, which does not guarantee a project's future performance. In addition, initial estimates and projections of Obligors or their consultants may include a degree of discretion, and accordingly may not translate into commercial viability, potential or profitability of any future operations of the relevant projects.

The financial performance of many Obligors is also susceptible to increases in their costs of operation should they not have fixed priced operations and maintenance or supply agreements with suppliers. Labour costs and other operating and infrastructure costs, including power and equipment costs, can have a significant impact on the financial condition of a project. Production costs are heavily influenced by the extent of ongoing development required, resource grades, site planning, processing technology, logistics, energy and supply costs and the impact of exchange rate fluctuations on costs of operations. Unit production costs are also significantly affected by production volumes and, therefore, production levels are frequently a key factor in determining the overall cost competitiveness of an Obligor's business. In addition, if certain inputs, feedstock or services are unavailable at any price, an Obligor may find its operations to be involuntarily curtailed, which would result in lost revenue and profits, and would adversely impact its results of operations and financial condition, thereby affecting its ability to make scheduled payments under the loan relating to the relevant Infra Loan Obligation.

Certain Obligors are also subject to environmental hazards as a result of the processes used in extraction, production, storage, disposal and transportation methods. In addition, certain Obligors conduct oil and gas production activities and are also involved in storing and transporting gas (including liquified natural gas) and oil products. Damage to exploration or drilling equipment, a pipeline or vessel carrying gas or oil products or a facility where it is stored could lead to a spill, causing environmental damage with significant clean-up or remediation costs. The realisation of such operating risks and hazards and the costs associated with them could materially adversely affect an Obligor's business, results of operations and financial condition, including by requiring significant capital and operating expenditures to abate the risk or hazard, restore its property or third-party property, compensate third parties for any loss or pay fines or damages. While many Obligors hold operational and business interruption insurance relating to these events, there can be no assurance that such events will not occur and result in significant delays in project execution or major damage to important infrastructure facilities or cause significant disruption to operations, or that any insurance in respect of any events will cover the costs incurred in part or in full. Any such significant environmental event could have a material adverse effect on an Obligor's business, financial position and results of operations, and could potentially affect the ability of the relevant Obligor to generate revenue from the project, which would, in turn, adversely impact its ability to make scheduled payments under the loan relating to the relevant Infra Loan Obligation.

(6) Commodity pricing risk

Some Obligors, particularly those involved in the resources and energy industry, are subject to substantial commodity price risk, because commodities are a key supply input or output of many projects. As a result, the financial condition and results of operations of those projects are significantly influenced by fluctuations in the market price of commodities, such as liquified natural gas, crude oil, refined products, petrochemicals and metals. Commodity prices have historically fluctuated for a variety of reasons, including aggregate demand and supply, market expectations and speculation regarding future demand and supply, availability of alternative products and substitutes, geopolitical developments in key production areas, government regulation, macroeconomic conditions, weather conditions and natural disasters. Particularly, the ongoing military tension between Russia and Ukraine, instability in the Middle East (such as the Israel-Hamas conflict and attacks on shipping in the Red Sea) and any future pandemic might also

exacerbate supply chain disruption and pricing risks. See the section entitled "*— Risks relating to the Infra Loan Obligations and the Obligors — The ongoing military conflict between Russia and Ukraine, the ongoing conflicts in the Middle East and other geopolitical tensions may affect the ability of Obligors to fulfil their obligations in respect of the Infra Loan Obligations*" below of this Information Memorandum.

As a result of these and other factors, it is impossible to predict future commodity price movements accurately. Any material fluctuation in commodity prices could result in a significant reduction of an Obligor's revenue or a significant increase in the costs associated with the development, operation and maintenance of the underlying project. Such risks may be compounded in the case of projects that are limited to producing a single commodity, or which utilise a single commodity as feedstock. As a result, any fluctuations in the price of such commodities may impact the ability of an Obligor to make scheduled payments under the loan relating to the relevant Infra Loan Obligation. In addition, there can be no assurance that any offtake or hedging arrangements by an Obligor will be able to protect an Obligor against such changes in price over the term of an Infra Loan Obligation.

(7) Interest rate risk

The Infra Loan Obligations which constitute the Portfolio are at floating interest rates linked to benchmark interest rates. Since the interest rate payable on the Infra Loan Obligations is not fixed, Obligors are exposed to the risk that interest rates will rise during the term of the relevant Infra Loan Obligation should they not have interest rate swaps in place at the project level. In a high interest rate environment, the finance costs of Obligors may increase substantially, thereby affecting their ability to service interest payments on the Infra Loan Obligations. The Obligors generally do not have the ability to pass on interest rate variations to offtakers, commodity purchasers or other third parties by way of increased charges. Although a significant portion of this floating interest rate exposure is typically hedged by way of interest rate swaps or other derivatives, the use of such arrangements involves certain risks, including, but not limited to, the possibility that the risk being hedged will not be adequately hedged by the hedging arrangement entered into, the risk that the counterparty under such hedging agreement will fail to perform its obligations, the risk that such hedging agreement may be illiquid and the risk that such hedging agreement may be terminated due to a default or other similar event with respect to the Obligor or counterparty thereunder. These factors may lead to decreased net cash flow available to meet the relevant Infra Loan Obligation.

There can be no assurance that payments of interest on the Infra Loan Obligation will in all circumstances generate sufficient proceeds to make timely payments of interest or particular levels of return on the Notes.

(8) Currency risk

There may be mismatches between the contracted currency in which a project earns its revenues and the currency in which its Infra Loan Obligations are denominated. Such currency risks may be exacerbated in emerging markets, where the risks of inconvertibility, market disruption, nationalisation, disruption of payment systems and other similar events are typically greater. It may be the case that while the offtake agreements are denominated in local currency, the payment obligations of the offtake party are indexed to the US Dollar and would therefore increase in the event of a devaluation of the local currency. In such a case, there is a risk that the offtaker may not be able, as a credit matter, to service such increased payment obligations and may default on the payment thereof. Such a default could adversely affect an Obligor's ability to make payments under the loan relating to the relevant Infra Loan Obligation. While many Obligors seek to manage their currency exchange exposure by entering into currency hedging arrangements, the use of such

arrangements involves certain risks, including, but not limited to, the possibility that the risk being hedged will not be adequately hedged by the hedging arrangement entered into, the risk that the counterparty under such hedging agreement will fail to perform its obligations, the risk that such hedging agreement may be illiquid and the risk that such hedging agreement may be terminated due to a default or other similar event with respect to the Obligor or counterparty thereunder.

The credit ratings or estimates issued in relation to Obligors and Infra Loan Obligations may not be reliable and may not fully reflect the true risks of an Infra Loan Obligation to the Portfolio

Credit estimates of Infra Loan Obligations represent the opinions of the Rating Agency regarding the likelihood of payment of amounts due under the Infra Loan Obligations and the payment of other obligations by the Obligors, but are not a guarantee of the creditworthiness of such Obligors. While the market imposes a certain amount of discipline on the Rating Agency's rating processes, the Rating Agency itself does not assume responsibility for its rating actions and investors cannot expect to have recourse to the Rating Agency for ratings actions taken or not taken. While ratings methodologies generally attempt to evaluate all risks capable of rational analysis, not all risks are susceptible of analysis and certain market risks are explicitly excluded from rating analyses. Therefore, the credit estimates assigned to an Infra Loan Obligation by the Rating Agency may not fully reflect the true risks of that Infra Loan Obligation to the Portfolio. In addition, the Rating Agency may fail to make timely changes in credit ratings or credit estimates in response to subsequent events, so that the financial condition of the Obligor relating to an Infra Loan Obligation at any given time may be better or worse than the current credit rating or credit estimate indicates. Furthermore, credit ratings and credit estimates are functions of rating policies by the Rating Agency which may change from time to time and result in different ratings or estimates despite no change in the underlying credit quality of the Infra Loan Obligations. Consequently, credit ratings or credit estimates of Infra Loan Obligations are not and cannot be definitive indicators of investment quality.

Obligors are subject to numerous environmental, health and safety regulations

Obligors are required to comply with laws, regulations and statutory and regulatory standards concerning the environment and the health and safety of workers and the public, and are subject to their ongoing application and enforcement. Such environmental matters may include regulation of hazardous materials, limits on noise emissions, occupational health and safety standards, practices and procedures, and standards and control requirements relating to the emission of air contaminants, solid waste disposal and effluent discharge. The technical requirements of these laws and regulations are becoming increasingly complex and vary in scope and application in each jurisdiction, and compliance with such regulations is accordingly increasingly complex and expensive. Furthermore, regulators are becoming increasingly pro-active in enforcing such laws and regulations.

Non-compliance with any environmental laws, regulations or other requirements could subject a project owner or operator to civil or criminal liability and fines, and subject a project to liens for clean-up costs. In addition, any such non-compliance could result in a breach of relevant licences or approvals in connection with a project. There are also certain risks inherent in owning and operating projects, such as accidental spills, leakages, explosions, blow-outs, equipment damage or failure, natural disasters, geological uncertainties, fires or other unforeseen circumstances that could expose an Obligor to significant liabilities. Such liabilities could materially adversely affect its business, prospects and financial condition. In addition, an Obligor may be held liable for the investigation and removal of hazardous materials from project premises regardless of the source of such hazardous materials. The possibility of an environmental lien with superpriority or the imposition of environmental liability on the Issuer, as a holder of an Infra Loan Obligation, by virtue of its effective influence or control over a project's operation, could adversely affect the Issuer's or any other project lender's willingness or ability to restructure an Infra Loan Obligation or exercise foreclosure or other similar remedies.

The enactment of new or more stringent health, safety or environmental laws, regulations or statutory or regulatory standards or new interpretation and enforcement of existing health, safety or environmental laws, regulations or statutory or regulatory standards, could have a significant impact on the extent of such liabilities and operating and capital costs. For example, as a result of new environmental regulations, Obligors may need to modify their current operations, purchase new equipment, upgrade staff and contractor accommodation, install pollution control equipment or perform clean-up operations.

It is not possible to predict what future health, safety or environmental laws, regulations or statutory or regulatory standards will be enacted or how current laws, regulations or statutory or regulatory standards will be interpreted, applied, modified or enforced. Furthermore, any new environmental or health and safety regulations or standards could, if significant and costly, impair an Obligor's ability to implement its strategy and to predict or control the nature and timing of its exploration, appraisal, development and other activities, including by substantial delays or material increases in costs. Such additional costs, interruptions or delays could have a material adverse impact on an Obligor's business, prospects, financial condition and results of operations. In addition, any indemnification or insurance against any liabilities arising from environmental damage resulting from the actions of third parties, or historical or current contamination of a project's site, may be insufficient. Any of these occurrences may reduce the availability of revenues to the Obligor to pay principal and interest on the Infra Loan Obligations.

Certain Infra Loan Obligations are backed by export credit agencies or insurers, some of which may be state-owned and subject to government control or other geopolitical factors

Export credit agencies and insurers support the development of certain projects primarily by either providing financing (in the form of loans to the Obligor or loan guarantees or insurance to lenders) or insurance coverage (in the form of commercial and/or political risk cover) to an Obligor, or a combination of both. Export credit agencies and insurers may also offer different forms of support to Obligors or lenders from time to time.

Export credit agencies are typically wholly owned or supported by central governments or central banks and rely on various forms of support from central governments or central banks (including guarantees, undertakings and backstop funding). Export credit agencies can therefore be adversely affected by changes in the policies of central governments or central banks. Similarly, insurers may be influenced by the policies and positions of their various stakeholders. If any of these government arrangements are significantly altered or discontinued, or if a government's general responsibilities towards an export credit agency or insurer are reduced or withdrawn, there may be a material adverse effect on such export credit agency's financial condition and results of operations, which could impact its ability to meet its obligations under certain loans, guarantees or insurance policies relating to the Infra Loan Obligations. If an export credit agency or insurer withdraws funding or support with respect to certain Infra Loan Obligations and an Obligor is unable to obtain replacement funding or support on commercially acceptable terms, such Obligor may not have sufficient cash to complete the construction of the project or meet ongoing operational requirements, which may have a material adverse effect on its cash flows, business, financial position and results of operations (and therefore its ability to repay the Infra Loan Obligations).

In addition, many export credit agencies and insurers impose certain conditions on the loan guarantees or insurance policies that they issue which allow them to assert either negative or affirmative control over amendments, waivers or consents which may from time to time be proposed by the Obligors of the underlying Infra Loan Obligations. Accordingly, there may be circumstances in which the Issuer is either restricted or prohibited from voting its interests under a given Infra Loan Obligation. There can be no assurance that any affirmative or negative voting control that is held by an export credit agency or insurer will be exercised in a manner that is in the interests of the Issuer or the Noteholders, and in such instances the Issuer and the Noteholders' ultimate economic recourse will be to the underlying loan guarantee or insurance policy. Furthermore, most export credit agencies will require the lenders of an underlying Infra

Loan Obligations to retain a residual exposure so as to align its interests in the relevant underlying Infra Loan Obligation. There is no assurance that such residual exposure in the underlying Infra Loan Obligations held by the lenders will be recovered.

The ongoing military conflict between Russia and Ukraine, the ongoing conflicts in the Middle East and other geopolitical tensions may affect the ability of Obligors to fulfil their obligations in respect of the Infra Loan Obligations

Global markets are currently operating in a period of economic uncertainty, volatility and disruption due to the military conflict between Russia and Ukraine, the ongoing conflicts in the Middle East, and other geopolitical tensions.

The military conflict between Russia and Ukraine unfolds following Russia's full-scale invasion of Ukraine on 24 February 2022. The length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable and has contributed to significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as an increase in cyberattacks and espionage.

Russia's recognition of two separatist republics in the Donetsk and Luhansk regions of Ukraine and subsequent military conflict against Ukraine have led to an unprecedented expansion of sanction programmes imposed by the United States, the European Union, the United Kingdom, Canada, Switzerland, Japan and other countries against Russia, Belarus, the Crimea Region of Ukraine, the so-called Donetsk People's Republic and the so-called Luhansk People's Republic, including, among others:

(1) blocking sanctions against some of the largest state-owned and private Russian financial institutions (and their subsequent removal from the Society for Worldwide Interbank Financial Telecommunication payment system) and certain Russian businesses, some of which have significant financial and trade ties to the European Union;

(2) blocking sanctions against Russian and Belarusian individuals, including the Russian President, other politicians and those with government connections or involved in Russian military activities; and

(3) blocking of Russia's foreign currency reserves as well as expansion of sectoral sanctions and export and trade restrictions, limitations on investments and access to capital markets and bans on various Russian imports.

In retaliation against new international sanctions and as part of measures to stabilise and support the volatile Russian financial and currency markets, the Russian authorities also imposed significant currency control measures aimed at restricting the outflow of foreign currency and capital from Russia, imposed various restrictions on transacting with non-Russian parties, banned exports of various products and other economic and financial restrictions. The situation is rapidly evolving as a result of the war in Ukraine, and the United States, the European Union, the United Kingdom and other countries may implement additional sanctions, export controls or other measures against Russia, Belarus and other countries, regions, officials, individuals or industries in the respective territories. Such sanctions and other measures, as well as the existing and potential further responses from Russia or other countries to such sanctions, tensions and military conflicts, could adversely affect the global economy and financial markets and could adversely affect the business, financial condition and results of operations of the Obligors. The operations of the Obligors may be particularly vulnerable to potential interruptions in the supply of certain critical energy resources, materials and metals, such as liquefied natural gas ("**LNG**"), crude oil, refined products, petrochemicals, metals, agricultural commodities and other raw materials,

which may be used in their projects. In addition, the commodity price impact of the war in Ukraine has seen a sharp and sustained rise in commodity and oil and gas prices, and has adversely affected and may continue to adversely affect global supply chains resulting in further commodity price inflation.

Such increase in prices of these materials and any interruptions to the supply of these materials to the Obligors may result in the development, construction or expansion of a particular project being unable to be completed within the originally envisaged timeframe or within the originally envisaged budget. Key project parties, which may include both Obligors as well as their counterparties under the relevant project documents, may also seek to invoke force majeure clauses in the relevant project documentation. In addition, certain borrowers (which may include Obligors) may need to use debt service reserves or reschedule debt service payments, be unable to satisfy certain financial covenants or make timely payments on the Infra Loan Obligations or may sell the underlying collateral or refinance their related Infra Loan Obligations at maturity, in each case, for an amount insufficient to pay the Principal Balances. Any of the foregoing scenarios could lead to an increased likelihood of defaults on the Infra Loan Obligations and longer than expected liquidation timelines upon the occurrence of an event of default thereunder.

Furthermore, increasing geopolitical tensions, such as the Israeli-Palestinian conflict and the turmoil in the Middle East also presents a risk to geopolitical stability and in turn the global macroeconomy. Any or all of the effects of such military activities and geopolitical tensions, including those described above, could affect the ability of the Obligors to make payment on the Infra Loan Obligations. Any such disruptions may also magnify the impact of the other risks described in this "*Risk Factors*" section, such as those related to timely payments by Obligors and the values of the Infra Loan Obligations. The extent and duration of the military conflict, sanctions and resulting market disruptions could be significant, and could potentially have substantial impact on the global economy for an unknown period of time. In addition, due to the continually evolving nature of the conflict, the potential impact that the conflict could have on such risk factors, and others that cannot yet be identified, remains uncertain.

Obligors may not carry adequate insurance to protect the projects against all potential losses to which such projects may be subject

Certain infrastructure projects, such as commodity mining and production activities, involve a substantial degree of risk. Lenders will generally require each project to maintain customary insurance coverage. However, insurance requirements may be limited to insurance that is available on commercially reasonable terms, and this may not be the case, and not all construction or operating risks are either insurable or economically insurable. The proceeds of insurance applicable to covered risks may not be adequate to cover lost revenues or increased expenses. There can be no assurance that each Obligor will have the benefit of delay in start-up or business interruption insurance, funded debt service reserve accounts or other liquidity support sufficient to enable it to service all payments due on the Infra Loan Obligations during any period of delay in construction or interruption to operations. Furthermore, in the event of total or partial loss to any project, certain items of equipment may not be replaceable promptly as their large and project-specific character may mean that replacements are not readily available or have long lead times. Accordingly, notwithstanding that there may be guarantee coverage, warranty coverage or insurance coverage for loss to a project, the location of such project, the large size of some of the equipment and the extended period needed to manufacture replacement units could give rise to significant delays in replacement, and so could impede such project's construction or operation and such Obligor's ability to make payments on the related Infra Loan Obligations (and consequently, the Issuer's ability to make payments on the Notes).

Risks relating to the Issuer and the Collateral Manager

The Issuer is dependent on the Sponsor and the Collateral Manager and certain key individuals associated with the Sponsor and the Collateral Manager to manage the Portfolio

The Issuer will be highly dependent on the financial and managerial experience of certain individuals associated with the Sponsor and the Collateral Manager in analysing, selecting and managing the Infra Loan Obligations. There can be no assurance that such key personnel currently associated with the Sponsor and the Collateral Manager or any of their Affiliates will remain in such positions throughout the life of the transaction. Certain employment arrangements between those officers and employees and the Sponsor and/or the Collateral Manager may exist, but the Issuer is not, and will not be, a direct beneficiary of such arrangements, and those arrangements are in any event subject to change without the consent of the Issuer. The loss of one or more of such individuals could have a material adverse effect on its performance.

In addition, the Collateral Manager may resign or be removed in certain circumstances and may, subject to certain conditions, assign its rights and delegate its obligations as Collateral Manager to a third party, in each case as described in the section entitled under "*Description of the Collateral Management and Administration Agreement*" of this Information Memorandum. There can be no assurance that any successor or delegate collateral manager would have the same level of skill in performing the obligations of the Collateral Manager, in which event payments on the Notes could be reduced or delayed.

The Collateral Manager is not required to devote all of its time to the performance of the Collateral Management and Administration Agreement and may otherwise conduct its own business activities, in the future.

The Collateral Manager's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by unauthorised persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, typhoons, floods, hurricanes, earthquakes and tornadoes. Although the Collateral Manager may have implemented various measures to manage risks relating to these types of events, the failure of these systems or disaster recovery plans for any reason could cause significant interruptions in the Collateral Manager's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data. Such a failure could impede the ability of the Collateral Manager to perform its duties under the Transaction Documents.

The Collateral Manager has limited experience managing transactions of this nature for third parties

The Issuer has appointed the Collateral Manager to manage the transaction and the Portfolio. See the sections entitled "*Description of the Sponsor and the Collateral Manager*" and "*Description of the Collateral Management and Administration Agreement*" of this Information Memorandum. While the Collateral Manager has experience and operating history in investing in infrastructure and project financing obligations for its own account, this transaction is the second time that the Collateral Manager will be involved in a transaction structured as an issuance of securities against a portfolio of infrastructure and project finance loans and the second time that the Collateral Manager will be managing assets on behalf of a third party. The prior investment results of the Collateral Manager and the persons associated with the Collateral Manager or any other entity or person described herein or otherwise available to prospective investors are not indicative of its future investment results. The nature of, and risks associated with, its future investments may differ from those investments and strategies undertaken historically by the Collateral Manager or such persons and entities. There can be no assurance that the investments of the Collateral Manager on behalf of the Issuer will perform as well as the past investments of any such persons or entities.

The Issuer is reliant on timely payments by the Transaction Administrator and the Principal Paying Agent

The Issuer's ability to meet its payment obligations in respect of the Notes depends partly on the full and timely payments by, or on behalf of (as the case may be), the Transaction Administrator and the Principal Paying Agent of the amounts due to be paid thereby. If either of the Transaction Administrator or the Principal Paying Agent fails to meet its payment obligations, the Issuer's ability to meet its payment obligations under the Notes may be adversely affected.

The Issuer may be subject to litigation risks involving third parties

The Issuer's investment activities are subject to the normal risks of becoming involved in litigation by third parties. Defence and settlement costs with regard to litigation and disputes can be significant, even in respect of claims that have no merit. Damages claimed against the Issuer under any such litigation or dispute may be material or may be indeterminate, and the outcome of such litigation or dispute, including reputational damage, may have a material impact on the Issuer's business, prospects, financial condition and results of operations. The expense of defending against a claim by third parties and paying any amounts pursuant to such litigation or dispute would, absent fraud, wilful default or gross negligence by the Collateral Manager in connection with such claim, be borne by it and would reduce its net assets. The Collateral Manager, the Transaction Administrator and others will be indemnified by the Issuer in connection with such litigation, subject to the terms of the Collateral Management and Administration Agreement and other documents entered into by the Issuer.

Changes in tax laws or challenges to the Issuer's tax position could adversely affect its results of operations and financial condition

The Issuer is subject to complex tax laws and tax exemptions. Changes in tax laws or tax exemptions could adversely affect the Issuer's tax position, including its effective tax rate or tax payments. Although the Issuer intends to rely on tax exemptions and generally available interpretations of applicable tax laws and regulations, there cannot be certainty that all the conditions for such exemptions will continue to be met or that the relevant tax authorities are or will be in agreement with the Issuer's interpretation of these laws. If such exemptions are no longer applicable to the Issuer or the tax positions taken by the Issuer are challenged by relevant tax authorities, the imposition of additional taxes could require the Issuer to pay taxes that it does not currently collect or pay, or increase the costs of services to the Issuer to track and collect such taxes, which could increase its costs of operations or its effective tax rate and have a negative effect on its business, financial condition and results of operations.

Risks relating to certain conflicts of interest

The Sponsor, the Collateral Manager, the Issuer, the Sole Global Coordinator, the Joint Bookrunners and their respective Affiliates are acting in a number of capacities in connection with the transaction described herein, which may give rise to certain conflicts of interest.

Various potential and actual conflicts of interest may arise from the overall management, advisory, investment and other activities of the Sponsor, the Collateral Manager, their respective Affiliates and employees, either for their own accounts or the accounts of others, and their respective clients and from the conduct by the Sole Global Coordinator, the Joint Bookrunners and their respective Affiliates of other transactions with the Sponsor, the Collateral Manager and the Issuer, including, without limitation, acting as counterparty with respect to Participation Interests.

The following briefly summarises some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

The Sponsor and the Collateral Manager may be subject to certain conflicts of interest as a result of their advisory, investment and other business activities

The Sponsor, the Collateral Manager, and their respective Affiliates and clients may invest in obligations that would otherwise be eligible to be Infra Loan Obligations. Such investments may be different from those made by the Collateral Manager on the Issuer's behalf, and neither the Sponsor nor the Collateral Manager will have any obligation in such an instance to direct such obligations into the Portfolio as Infra Loan Obligations. The Sponsor, the Collateral Manager and/or their respective Affiliates may also have ongoing or future relationships with, render services to or engage in transactions with other clients (and potentially receive commissions from such services or transactions as a result), including other issuers of asset-backed securities, collateralised loan obligations and collateralised debt obligations, who invest in assets of a similar nature, and may own equity or debt securities issued by the Obligors. For example, the Sponsor also expects to continue designating the Collateral Manager to act as a collateral manager for future issuances of asset-backed securities.

As a result, officers or Affiliates of the Sponsor or the Collateral Manager may possess information relating to the Obligors that is not known to the individuals at the Collateral Manager responsible for monitoring the Infra Loan Obligations and performing the other obligations under the Collateral Management and Administration Agreement. The Collateral Manager will be required to act under the Collateral Management and Administration Agreement with respect to any information within its possession only if such information was known or should reasonably have been known to those employees of the Collateral Manager responsible for performing the obligations of the Collateral Manager thereunder, and only if such information is not deemed by the Collateral Manager to be confidential or non-public or subject to other limitations on its use. The Collateral Manager is not otherwise obliged to share such information. Furthermore, the Sponsor or the Collateral Manager and their respective Affiliates may, in the conduct of their respective businesses, receive or become aware of price-sensitive information which is not generally available to the public that may restrict the Collateral Manager from purchasing or selling securities for itself or its clients (including the Issuer) or otherwise using such information for the benefit of its clients or itself. The Collateral Management and Administration Agreement contains provisions which provide that the Collateral Manager may refrain from purchases or sales thereunder of Infra Loan Obligations in acting in relation to the administration of the Portfolio in circumstances where it or any of its Affiliates are in receipt of price-sensitive information and where, in the opinion of the Collateral Manager, investment by the Collateral Manager on the Issuer's behalf might breach the provisions of insider dealing legislation or laws to which it or the Issuer are subject.

Although the professional staff of the Collateral Manager will devote as much time to the Issuer as the Collateral Manager deems appropriate to perform its duties in accordance with the Collateral Management and Administration Agreement and in accordance with reasonable commercial standards, the employees of the Collateral Manager may have conflicts in allocating their time and services among the Issuer and the Collateral Manager's other accounts (including any existing and future issuers of asset-backed securities originated by the Sponsor).

The Collateral Management and Administration Agreement places significant restrictions on the Collateral Manager's ability to buy and dispose of Infra Loan Obligations on which the Notes are secured, and the Collateral Manager is required to comply with these restrictions. Accordingly, during certain periods or in certain specified circumstances, the Collateral Manager may be unable to buy or dispose of obligations contained in the Portfolio or to take other actions which it might consider in the best interests of the Issuer and the Noteholders as a result of the restrictions set out in the Collateral Management and Administration Agreement.

The majority of Infra Loan Obligations in the Portfolio will be acquired by the Issuer from the Sponsor, either by way of novations of the Sponsor's direct interest as lender of record in the relevant project and infrastructure loans of the Originating Banks or novations of the existing funded participation agreements between the Sponsor and the relevant Originating Banks. To mitigate the conflicts of interest that may arise from its contribution of such Infra Loan Obligations, the Sponsor has agreed that it will be the sole holder of, and will at all times continue to retain, the Subordinated Notes in compliance with the Risk Retention Requirements, thereby creating a "first loss" buffer for Noteholders of the Rated Notes. In addition, the Sponsor and/or its Affiliates may from time to time hold other Notes of any Class. Any Notes held by or on behalf of the Collateral Manager or a Collateral Manager Related Party will have no voting rights with respect to any vote (or written direction or consent) in connection with any CM Replacement Resolution or CM Removal Resolution, other than where the replacement of the Collateral Manager follows its resignation as Collateral Manager in accordance with the Collateral Management and Administration Agreement. However, any Notes held by the Collateral Manager or a Collateral Manager Related Party will have voting rights (including in respect of written directions and consents) with respect to all other matters as to which Noteholders are entitled to vote and, in exercising such vote, the Collateral Manager or a Collateral Manager Related Party may act in its sole interests, which may be adverse to the interests of other Noteholders.

The Collateral Manager may, on the Issuer's behalf from time to time, acquire obligations from, or sell obligations to, the Sponsor or related parties of the Sponsor.

The Issuer will deal with the Sponsor and the Collateral Manager on an arm's-length basis, and anticipates that the commissions, mark-ups and mark-downs charged by the Sponsor and the Collateral Manager will generally be competitive. There is no limitation or restriction on the Collateral Manager or any of its Affiliates with regard to acting as collateral manager (or in a similar role) to other parties or persons. This and other future activities of the Collateral Manager and/or its Affiliates may give rise to additional conflicts of interest.

There may be conflicts of interest involving the Sole Global Coordinator and the Joint Bookrunners

The activities of the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates, may result in certain conflicts of interest.

The initial Portfolio will include US$252.2 million in aggregate principal amount of Infra Loan Obligations (comprising 59.6 per cent. of the Infra Loan Obligations in the Portfolio) that were initially acquired by the Sponsor under the funded participation agreements or purchase and sale agreements from Originating Banks that are affiliated with certain of the Joint Bookrunners. Each such Originating Bank will retain all voting rights pertaining to the proportion of the project loans which it is retaining for its own account, and will also continue to control all voting rights over the Infra Loan Obligations that were initially acquired by the Sponsor under any funded participation agreement or purchase and sale agreements from such Originating Bank. None of these Originating Banks will be responsible to the Issuer for any decisions that it is otherwise permitted to take in relation to the proportion of the project loans which it is retaining for its own account, or in relation to any of the Infra Loan Obligations in respect of which it is entitled to exercise voting rights, and there can be no assurance that any such voting rights will be exercised in a manner that is in the interests of the Issuer or the Noteholders.

The Sole Global Coordinator and the Joint Bookrunners may purchase some or all of the Notes from the Issuer on the Closing Date and resell them to primary investors. The Sole Global Coordinator and the Joint Bookrunners may assist clients and counterparties in transactions related to the Notes (including assisting clients in future purchases and sales of the Notes and hedging transactions). The Sole Global Coordinator and the Joint Bookrunners expect to earn fees and other revenues from these transactions.

The Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates may retain a certain proportion of the Notes in their portfolios with an intention to hold to maturity or to trade. The holding or any sale of the Notes by these parties may adversely affect the liquidity of the Notes and may also affect the prices of the Notes in the primary or secondary market. The Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates are full-service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, corporate finance and other services, hedging, financing and brokerage activities ("**Banking Services or Transactions**"). Each of the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates may have engaged in, and may in the future engage in, various Banking Services or Transactions in the ordinary course of business with the Sponsor, the Collateral Manager, the Issuer or their respective affiliates from time to time, for which they have received or will receive customary fees and commissions. In the ordinary course of their various business activities, the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates may make or hold (on their own account, on behalf of clients or in their capacity as investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuer, the Collateral Manager or their respective affiliates, including the Notes, may be entered into at the same time or proximate to offers and sales of the Notes or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of the Notes. Certain of the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates that have a lending relationship with the Issuer or the Collateral Manager routinely hedge their credit exposure to the Issuer or the Collateral Manager consistent with their customary risk management policies. Typically, the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's or the Collateral Manager's securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates may make investment recommendations or publish or express independent research views (positive or negative) in respect of the Notes or other financial instruments of the Issuer or the Collateral Manager, and may recommend to their clients that they acquire long or short positions in the Notes or other financial instruments.

The Sole Global Coordinator and the Joint Bookrunners, and/or their respective affiliates may also purchase the Notes and allocate the Notes for asset management and/or proprietary purposes but not with a view to distribution.

The Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates may have positions in and will likely have placed or underwritten certain of the Infra Loan Obligations (or other obligations of the obligors of Infra Loan Obligations) when they were originally issued, and may have provided or may be providing investment banking services and other services (including hedging-related services) to Obligors in respect of certain Infra Loan Obligations. In addition, the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates and their clients may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, Infra Loan Obligations. Each of the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates will act in its own commercial interest in its various capacities without regard to whether its interests conflict with those of the holders of the Notes or any other party. Moreover, the Issuer may invest in loans of obligors affiliated with the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates or in which one or more of the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates hold an equity, participation or other interest. The purchase, holding or sale of such Infra Loan Obligations by the Issuer may increase the profitability of the Sole Global Coordinator's and the Joint Bookrunners', and their respective affiliates' own investments in such obligors.

From time to time, the Collateral Manager may purchase from or sell Infra Loan Obligations through, from or to the Sole Global Coordinator or the Joint Bookrunners, or their respective affiliates (including a portion of the Infra Loan Obligations to be purchased on or prior to the Closing Date). Each of the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates may act as a placement agent or an initial purchaser or an investment manager in other transactions involving issues of collateralised debt obligations or other investment funds with assets similar to those of the Issuer, which may have an adverse effect on the availability of Reinvestment Infra Loan Obligations for the Issuer or on the price of the Notes.

None of the Sole Global Coordinator and the Joint Bookrunners, or their respective affiliates disclose specific trading positions or their hedging strategies, including whether they are in long or short positions in any Notes or obligations referred to in this Information Memorandum, except where required in accordance with the applicable law. Nonetheless, in the ordinary course of business, the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates, and employees or customers of the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates may actively trade in or otherwise hold long or short positions in the Notes, Infra Loan Obligations and Reinvestment Infra Loan Obligations or enter into transactions similar to or referencing the Notes, Infra Loan Obligations and Reinvestment Infra Loan Obligations or the Obligors thereof for their own accounts and for the accounts of their customers. If any of the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates becomes an owner of any of the Notes, through market-making activity or otherwise, any actions that it takes in its capacity as owner, including voting, providing consents or otherwise, will not necessarily be aligned with the interests of other owners of the same Class or other Classes of the Notes. To the extent that any of the Sole Global Coordinator and the Joint Bookrunners makes a market in the Notes (which it is under no obligation to do), it would expect to receive income from the spreads between its bid and offer prices for the Notes. In connection with any such activity, it will have no obligation to take, refrain from taking or cease taking any action with respect to these transactions and activities based on the potential effect on an investor in the Notes. The price at which any of the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates may be willing to purchase Notes, if it makes a market, will depend on market conditions and other relevant factors and may be significantly lower than the issue price for the Notes and significantly lower than the price at which it may be willing to sell the Notes.

There is no limitation or restriction on the Sole Global Coordinator or the Joint Bookrunners, or any of their respective affiliates with regard to acting as portfolio manager (or in a similar role) or initial purchaser to other parties or persons in other transactions involving issues of collateralised debt obligations or other investment funds with assets similar to those of the Issuer. This and other future activities of the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates may give rise to additional conflicts of interest or an adverse effect on the availability of Reinvestment Infra Loan Obligations for the Issuer or the price of the Notes.

The Rating Agency may also have a conflict of interest

The Issuer has engaged Moody's to provide its ratings on the Rated Notes. The Rating Agency may have a conflict of interest where the issuer of a security pays the fee charged by the Rating Agency for its rating services, as is the case with the rating of the Rated Notes (except for unsolicited ratings).

Risks relating to the Business Areas of the Sponsor (other than the IFS Business)

Loan purchase activities in Hong Kong

One of the primary business activities of the Sponsor is to purchase loan assets from the Approved Sellers (as defined under the section entitled "*Description of the Sponsor and the Collateral Manager — Business Strategies and Principal Business Activities of the Group*" of this Information Memorandum) in Hong Kong. The willingness of the Approved Sellers to sell their loan assets to the Sponsor depends on a number of factors, including the Approved Sellers' loan portfolio size, their balance sheet management and the interest rate applicable to the loan assets at the relevant time. The decision as to whether or not to sell their loan assets to the Sponsor lies with the Approved Sellers. There can be no assurance that the Approved Sellers will continue to make available suitable loan assets for purchase by the Sponsor.

Exposure to the Hong Kong residential property market

Although the Portfolio does not consist of residential property mortgage loans in Hong Kong, the Sponsor is exposed to the Hong Kong residential property market due to its portfolio of mortgage loans relating to residential properties in Hong Kong. The Hong Kong residential property market is highly cyclical and residential property prices in general have been volatile. Residential property prices are affected by a number of factors, including the supply of, and demand for, comparable properties, changes to interest rate, the rate of economic growth in Hong Kong, political and economic developments in the PRC, and the relationship of the PRC and Hong Kong with other countries. Accordingly, any significant drop in residential property prices and/or liquidity in the Hong Kong residential property market could adversely affect the Sponsor's business, financial condition and results of operations.

Exposure to risk of default by borrowers and/or sellers/servicers in its loan asset portfolio

The quality of the Sponsor's loan asset portfolio (other than the Portfolio) depends on both the careful selection of loan assets to be purchased and the rate of default by borrowers. The Sponsor cannot offer any assurance that it will continue to be able to purchase loan assets of adequate credit quality to maintain the current credit performance of its loan asset portfolio or that the credit quality of its loan asset portfolio will not deteriorate. The Sponsor can offer no assurance that the default rate of borrowers will remain at a low level. The allowance for loan impairment set aside by the Sponsor may be insufficient to cover all future losses arising from its loan asset portfolio, which could have an adverse impact on the Sponsor's results of operations.

The Approved Seller or Approved Servicer (as defined under the section entitled "*Description of the Sponsor and the Collateral Manager — Business Strategies and Principal Business Activities of the Group*" of this Information Memorandum) of an acquired loan portfolio is obliged to remit scheduled payments generated from the acquired loan portfolio (other than the Portfolio) to the Sponsor in a timely and accurate manner. The Sponsor can offer no assurance that its Approved Sellers/Approved Servicers will make scheduled payments in a timely or accurate manner, or will not default on their payment obligations.

Exposure to liquidity risk, interest rate risk and asset-liability maturity mismatch risk

The Sponsor has various funding sources at various interest rates and maturities, and acquires loan assets at various interest rates and maturities. In the event of the underlying borrowers or obligors failing to fulfil their payment obligations as scheduled, the Sponsor may be exposed to cashflow and net interest income risks. Although the Sponsor has sound credit ratings, diversified funding sources and prudently uses cash and derivative instruments for hedging purposes, the Sponsor may still be exposed to liquidity risk outside the control of the Sponsor as a result of the prevailing market conditions and availability of funds to fulfil its payment obligations. The Sponsor cannot offer any assurance as to the effectiveness of its funding strategy, risk management measures and hedging techniques to adequately mitigate any adverse changes in market conditions or the availability of such instruments in the future, or the failure of the underlying borrowers or obligors to fulfil their payment obligations as scheduled, which could adversely affect the Sponsor's business, financial condition and results of operations.

Exposure to currency risk

The majority of the Sponsor's revenues are generated in Hong Kong dollar and US dollar. Hong Kong dollar has been linked to US dollar since 1983 under the Linked Exchange Rate System which ensures that the Hong Kong dollar exchange rate remains stable within a band of HK$7.75 to HK$7.85 to US$1, but there can be no assurance that the Linked Exchange Rate System will be maintained in the future, despite the fact that the Hong Kong Government has, from time to time, expressed a commitment to maintain exchange rate stability under the Linked Exchange Rate System. The Sponsor can offer no assurance that its business, financial condition and results of operations would not be adversely affected by the impact on the Hong Kong economy arising from any devaluation or revaluation of Hong Kong dollar or if the link of Hong Kong dollar to US dollar is discontinued or changed in any way.

No government guarantee in respect of the Sponsor's debts

Although the Sponsor is wholly-owned by the Hong Kong Government, the Hong Kong Government does not provide any form of guarantee in respect of the Sponsor's borrowings or other obligations. The ownership or control which may be exerted by the Hong Kong Government on the Sponsor does not necessarily correlate to, or provide any assurance as to the Sponsor's financial condition. In addition, and notwithstanding the above, if the Sponsor is partly or fully privatised, its credit standing could be adversely affected.

Exposure to legal, regulatory, litigation and compliance risks

The Sponsor and its subsidiaries (collectively, the "**Group**") are subject to laws, rules and regulations that regulate all aspects of its business. Some of the laws, rules and regulations are relatively new and their interpretation and application remain uncertain. The Group is exposed to risks of legal, regulatory, litigation and administrative proceedings. Management of these risks requires, among other things, policies and procedures to prohibit or report certain transactions, properly record and monitor large number of transactions and events, as applicable. Failure to comply with any of the applicable laws, rules and regulations, including as a result of changes to rules and regulations or the changing interpretation thereof by relevant regulators, could result in administrative sanctions, fines, increase in expenses or capital to achieve compliance or for settling disputes, proceedings and litigations, each of which may have a material adverse effect on the Group's reputation, business, financial condition and results of operations. In addition, failure to implement and maintain effective internal controls or proper records could bring an impact on the reliability of the Group's financial statements and the Group's ability to comply with applicable laws, rules and regulations.

Furthermore, investigations, administrative actions or litigation could commence in relation to any violation of any applicable laws, rules and regulations, which may result in penalties, damages, costs and expenses and possible damage to the reputation of the Group. Any material adverse judgments or rulings that are delivered against the Group could have a material adverse effect on the Group's reputation, business, financial condition and results of operations.

Exposure to failure of full compliance with applicable anti-money laundering laws, anti-terrorism laws, anti-bribery laws and other regulations

The Group is required to comply with applicable anti-money laundering laws, counter-terrorist financing laws, anti-bribery laws and other relevant laws and regulations in Hong Kong and elsewhere. These laws and regulations require the Group, among other things, to formulate "know your customer" policies and procedures and to report suspicious transactions to the applicable regulatory authorities or law enforcement agencies. Additionally, regulators in recent years have globally increased their scrutiny of corporate internal controls and have correspondingly increased the penalties for any non-compliance particularly in the areas of sanctions, anti-money laundering, anti-terrorism and anti-bribery.

While the Group has adopted policies and procedures aimed at detecting and preventing money laundering activities and transactions with or by terrorists and terrorist-related organisations and individuals or by individuals subject to economic sanctions or involved in corruption generally, such policies and procedures may not completely eliminate instances where the Group may be used by other parties to engage in money laundering or other illegal or improper activities. To the extent that the Group fails to comply with applicable laws and regulations, the relevant law enforcement agencies have the power and authority to impose fines and other penalties on the Group, which may materially and adversely affect the Group's reputation, business, financial condition and results of operations.

Exposure to the risk of change in credit rating or outlook of the Sponsor

On 7 December 2023, Moody's announced to change to negative from stable the outlook on the Sponsor following the agency's affirmation of the Hong Kong Government's issuer rating at Aa3 and change in the outlook to negative from stable. Investors should be aware that there is no assurance that the rating of the Sponsor will not be downgraded or revised in the future, which may materially and adversely affect the Sponsor's reputation, business, financial condition and results of operations.

Risks Relating to Hong Kong, the PRC and Other Countries

Sponsor's business is affected by the political and economic situation in Hong Kong, the PRC and other countries

Although Hong Kong has thus far enjoyed legislative, judicial and economic autonomy since becoming a special administrative region of the People's Republic of China, there can be no assurance that there will not be a change in regulatory oversight as a consequence of the political and economic situation in Hong Kong, the PRC and other countries. Should such change occur, the Sponsor's business, financial condition and results of operations may be adversely affected.

The Sponsor's revenue is generated from its operations and businesses primarily in Hong Kong. Accordingly, the Sponsor's operations and performance may be affected by the general political and economic circumstances of Hong Kong. As Hong Kong is a small and open economy that is highly dependent on international trade and finance and having close business relations with the PRC and Asia-Pacific countries. The Hong Kong economy is affected to a significant extent, directly or indirectly, by the economies of the PRC, countries in the Asia-Pacific and elsewhere.

Any significant or sudden economic slowdown, recession or other adverse changes or developments in the local social and economic environment or political arrangements in Hong Kong may adversely affect the Group's business, financial condition and results of operations.

Future political or economic instability or a sustained slowdown in local economic activities, especially in relation to the properties market, will adversely affect the Sponsor's business if it leads to an increase in loan payment defaults.

No assurance that the Sponsor's business will not be affected by geopolitical tensions and disputes or sanctions or other measures imposed on Hong Kong by foreign governments

The economy of Hong Kong is highly dependent on international trade and finance as well as close business relations with the PRC and other countries. The economic growth of Hong Kong and its stability may be adversely affected by geopolitical developments and tensions, including trade disputes.

In recent years, the US government imposed a series of sanctions or restrictive measures on a number of officials of the Hong Kong Government or relating to the Hong Kong economy in the form of executive orders issued by the US administration and statutes passed by the US Congress. Such measures included, among others, the withdrawal of the privileges granted to Hong Kong pursuant to the United States-Hong Kong Policy Act of 1992. In addition, US tariffs, restrictions on technology transfer and investment imposed on the PRC as well as continued trade and geopolitical tensions and disputes may continue to affect the economic outlook globally as well as the Hong Kong economy.

There is no assurance that the Hong Kong economy and its prospect will not be adversely affected by geopolitical developments and tensions or there will be no additional economic sanction orders or restrictive measures imposed on the PRC, other officials of the Hong Kong Government or the Hong Kong economy. The occurrence of any such events may adversely affect the business, financial condition and results of operations of the Group, and there is no assurance that the Sponsor will be able to accurately assess the impact of such events, or implement remedial measure to adequately mitigate any adverse effect as a result, on the business, financial condition and results of operations of the Group.

No assurance that the Sponsor's business will not be affected by the outbreak of severe communicable disease

The outbreak of a novel strain of coronavirus (COVID-19) had a severe impact on the global economy. Although lock-down and stay-home policies previously imposed in many countries and regions have been lifted, economic activity and employment have not yet fully recovered. There is no assurance that there will not be resurgences of the COVID-19 pandemic, which may adversely affect the global economic outlook, including that of Hong Kong.

From time to time, there have been media reports regarding occurrences of various epidemics such as swine influenza, spread of avian influenza among birds and poultry and, in some isolated cases, from animals to human beings. There can be no assurance that there will not be another significant outbreak of a highly contagious disease and any such further outbreak, which may also lead to continued market weakness, may have a material adverse impact on the business, financial condition and results of operations of the Group and its ability to access the capital markets.

Risks relating to the Notes and the Collateral

The Notes do not represent obligations of any party other than the Issuer

The Notes are issued by the Issuer and will not represent an obligation or be the responsibility of any party to the Transaction Documents other than the Issuer. Neither the Sponsor nor any other person makes any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) to any potential investor, and no potential investor may rely on the Sponsor or any other person for a determination of expected or projected success, profitability, return,

performance result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) from an investment in the Notes. If the assets of the Issuer are not sufficient to make payments of interest or principal on the Notes when due, such payments may be delayed, be reduced or never be made.

The Notes may not be a suitable investment for all investors

Each potential investor must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should: (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Information Memorandum; (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio; (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes; (iv) understand thoroughly the terms of the Notes; and (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing, and (3) other restrictions apply to its purchase of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

The Notes will have limited liquidity, and there may be restrictions on transfer of the Notes

Although there is currently a limited market for notes representing asset-backed securities similar to the Notes, there is currently no market for the Notes themselves. As a result, the Notes are illiquid investments. None of the Sole Global Coordinator, the Joint Bookrunners, or any of their respective affiliates, are under any obligation to make a market for the Notes, and any such market-making may be discontinued at any time without notice. Any indicative prices provided by the Sole Global Coordinator or the Joint Bookrunners, or their respective affiliates shall be determined in the sole discretion of the Sole Global Coordinator or the Joint Bookrunners taking into account prevailing market conditions, and will not be a representation by the Sole Global Coordinator or the Joint Bookrunners, or their respective affiliates that any instrument can be purchased or sold at such prices (or at all). Notwithstanding the above, the Sole Global Coordinator or the Joint Bookrunners, or their affiliates may suspend or terminate making a market or providing indicative prices without notice, at any time and for any reason. There can be no assurance that any secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the Noteholders with liquidity of investment or that it will continue for the life of such Notes. Consequently, a purchaser must be prepared to hold such Notes for an indefinite period of time or until the Maturity Date. The Notes are subject to certain transfer restrictions and can be transferred only to certain transferees as described in the section entitled "Subscription and Sale" of this Information Memorandum. Such restrictions on the transfer of the Notes may further limit their liquidity.

The Notes are limited recourse obligations

The Notes are limited recourse obligations of the Issuer and are payable solely from the Infra Loan Obligations and the Collateral. Payments on the Notes both prior to and following enforcement of the

security over the Collateral are subordinated to the prior payment of certain fees and expenses of, or payable by, the Issuer, to the payment of any Non-Waterfall Amount or Overpaid Amount, and to payment of principal and interest on prior ranking Classes of Notes. None of the Sponsor, the Collateral Manager, the Noteholders of any Class, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, the Transaction Administrator or any Agent, or any other person or entity (other than the Issuer) will be obliged to make payments on the Notes of any Class. Consequently, the Noteholders must rely solely on distributions on the Infra Loan Obligations and, following an enforcement of the security over the Collateral, proceeds from the liquidation of the Collateral, for the payment of principal, discount, interest and premium, if any, thereon, and the Noteholders will have no direct recourse to the Obligors or the Collateral. Additionally, the Noteholders will have no direct recourse to the export credit agencies, the Originating Banks or the Sponsor. Similarly, although the Infra Loan Obligations representing approximately 1.3 per cent. of the aggregate principal amount in the Portfolio are supported by export credit agencies through various forms of credit enhancement such as guarantees and insurance, such rights and benefits will not be directly available to the Noteholders.

There can be no assurance that the distributions on the Infra Loan Obligations and the Collateral will be sufficient to make payments on any Class of Notes after making payments on more senior Classes of Notes as well as to other creditors ranking senior to or *pari passu* with such Class pursuant to the Priorities of Payments or otherwise provided for in the Conditions in respect of any Non-Waterfall Amount or Overpaid Amount. If distributions on the Collateral are insufficient to make payments on the Notes, no other assets (and, in particular, no assets of the Sponsor, the Collateral Manager, the Noteholders, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, the Transaction Administrator or any Agent) will be available for payment of the deficiency, and, following realisation of the Infra Loan Obligations, the Collateral and the application of the proceeds thereof in accordance with the Priorities of Payments or otherwise provided for in the Conditions in respect of any Non-Waterfall Amount or Overpaid Amount, the obligations of the Issuer to pay such deficiency shall be extinguished.

In addition, at any time while the Notes are Outstanding, none of the Noteholders, the Trustee or any other Secured Party (or any other Person acting on behalf of any of them, whether directly or indirectly) shall, or shall be entitled at any time to, take any step to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency, scheme of arrangement, moratorium, examinership, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy, insolvency or similar law in connection with its obligations relating to the Notes, the Trust Deed or otherwise owed to the Noteholders, save for lodging a claim in the liquidation of the Issuer which is initiated by a non-Affiliated party or taking proceedings to obtain a declaration or judgment as to its obligations.

Subordination of the Notes

The Class B Notes are fully subordinated to the Class A Notes. The Class C Notes are fully subordinated to the Class A Notes and the Class B Notes. The Class D Notes are fully subordinated to the Class A Notes, the Class B Notes and the Class C Notes. The Subordinated Notes are fully subordinated to all of the Rated Notes.

The payment of principal and interest on any other Classes of Notes may not be made until all payments of principal and interest due and payable on any Classes of Notes ranking in priority thereto pursuant to the Priorities of Payments have been made in full. Payments on the Subordinated Notes will be made by the Issuer to the extent of available funds and to the extent legally permitted, and no payments thereon will be made until the payment of certain fees and expenses has been made and until interest on the Rated Notes has been paid, and subject always to the requirement to transfer amounts to the Principal Account.

Non-payment of any Interest Amounts due and payable in respect of the Class A Notes or the Class B Notes on any Notes Payment Date will constitute a Note Event of Default (where such non-payment

continues for a period of at least five Business Days (or seven Business Days in the case of an administrative error or omission after the Transaction Administrator, the Principal Paying Agent or the Issuer has received notice of or have actual knowledge of such error or omission)). Following redemption in full of the Class A Notes and the Class B Notes, any failure to pay any Interest Amounts due and payable on the Class C Notes will constitute a Note Event of Default (where such non-payment continues for a period of at least five Business Days (or seven Business Days where such non-payment is due to an administrative error or omission)). Following redemption in full of the Class C Notes, any failure to pay any Interest Amounts due and payable on the Class D Notes will constitute a Note Event of Default (where such non-payment continues for a period of at least five Business Days (or seven Business Days where such non-payment is due to an administrative error or omission)). In such circumstances, the Controlling Class (as determined pursuant to the definition of "**Controlling Class**"), acting by Extraordinary Resolution, may request the Trustee to accelerate the Notes.

In the event of any acceleration of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Subordinated Notes will also be subject to automatic acceleration and the Infra Loan Obligations and Collateral may, in each case, be liquidated. Liquidation of the Infra Loan Obligations and Collateral at such time or remedies pursued by the Trustee upon enforcement of the security over the Infra Loan Obligations and Collateral could be adverse to the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders or the holders of the Subordinated Notes, as the case may be. To the extent that any losses are incurred in respect of any Infra Loan Obligations and Collateral, such losses will be borne first by the Noteholders, starting with the holders of the Subordinated Notes. Remedies pursued on behalf of the Class A Noteholders could be adverse to the interests of the Class B Noteholders, the Class C Noteholders, the Class D Noteholders and the holders of the Subordinated Notes. Remedies pursued on behalf of the Class B Noteholders could be adverse to the interests of the Class C Noteholders, the Class D Noteholders and the holders of the Subordinated Notes. Remedies pursued on behalf of the Class C Noteholders could be adverse to the interests of the Class D Noteholders and the holders of the Subordinated Notes.

The Trust Deed provides that in the event of any conflict of interest among or between the Noteholders, the interests of the Controlling Class will prevail. If the holders of the Controlling Class do not have an interest in the outcome of the conflict, the Trustee shall give priority to the interests of the most senior Class of Notes Outstanding among the Noteholders which do have an interest. In the event that the Trustee shall receive conflicting or inconsistent requests from two or more groups of holders of the Controlling Class (or another Class given priority as described in this paragraph), the Trustee shall (without liability to any Noteholder for so doing) give priority to the group which holds the greater amount of Notes Outstanding of such Class. The Trust Deed provides further that (subject to the preceding sentence) the Trustee will act upon the directions of the holders of the Controlling Class (or other Class given priority as described in this paragraph) in such circumstances, and shall not be obliged to consider the interests of the holders of any other Class of Notes.

There is a degree of risk arising from fluctuations in the amount and timing of receipt of the principal and interest on the Infra Loan Obligations

To the extent that interest payments on the Class C Notes or the Class D Notes are not made on a relevant Notes Payment Date, such unpaid interest amounts will be deferred and the amount thereof added to the Principal Amount Outstanding of the Class C Notes or the Class D Notes (as applicable) and earn interest at the interest rate applicable to such Notes. Any failure to pay scheduled interest on the Class C Notes (so long as the Class A Notes and the Class B Notes are Outstanding) due to there being insufficient funds available to pay such interest in accordance with the applicable Priorities of Payments, will not constitute a Note Event of Default. Any failure to pay scheduled interest on the Class D Notes (so long as the Class A Notes, the Class B Notes and the Class C Notes are Outstanding) due to there being insufficient funds available to pay such interest in accordance with the applicable Priorities of Payments, will not constitute a Note Event of Default. Payments of interest and principal on the Subordinated Notes will only be made

to the extent that there are Interest Proceeds and Principal Proceeds available for such purpose in accordance with the Priorities of Payments. No interest or principal may therefore be payable on the Subordinated Notes for an unlimited period of time, to maturity or at all.

Investment in the Notes of any Class involves a degree of risk arising from fluctuations in the amount and timing of receipt of the principal and interest on the Infra Loan Obligations and the amounts of the claims of creditors ranking in priority to the holders of each Class of the Notes. In particular, potential investors in such Notes should be aware that the amount and timing of payment of the principal and interest on the Infra Loan Obligations will depend upon the detailed terms of the documentation relating to each of the Infra Loan Obligations and on whether or not any Obligor thereunder defaults in its obligations.

The Notes may be affected by interest rate risks, including mismatches between the Notes and the Infra Loan Obligations

The Notes will initially bear interest at a rate based on six-month Term SOFR prior to the occurrence of a Payment Frequency Switch Event, or three-month Term SOFR following the occurrence of a Payment Frequency Switch Event. As at the date of this Information Memorandum, the Infra Loan Obligations consist of floating rate loans that bear interest based on SOFR (as defined below) or indices other than SOFR. The share of the aggregate principal amount of Infra Loan Obligations based on Daily Non-Cumulative Compounded SOFR and Term SOFR are 59.4 per cent. and 32.5 per cent., respectively. One Infra Loan Obligation is currently based on synthetic London interbank offered rate ("**LIBOR**") and may transition its benchmark rate to Term SOFR, Daily Non-Cumulative Compounded SOFR or other applicable floating rate indices. It is possible that the Benchmark payable on the Notes may rise (or fall) during periods in which SOFR (or any other applicable benchmark) with respect to the various Infra Loan Obligations is stable or falling (or rising but capped at a level lower than the Benchmark for the Notes). Further, the Notes will be subject to a Benchmark floor of 0 per cent. As a result, if the benchmark with respect to Infra Loan Obligations not having benchmark floor arrangements falls below 0 per cent., the Benchmark with respect to the Notes will not be reduced commensurately. No assurance can be given that the proportion of Infra Loan Obligations that bear interest based on indices other than the Benchmark will not increase in the future. Some Infra Loan Obligations may have benchmark floor arrangements that may help mitigate this risk, but there is no requirement for any Infra Loan Obligation (or any Reinvestment Infra Loan Obligation) to have a benchmark floor, and there is no guarantee that any such benchmark floor will fully mitigate the risk of a falling Benchmark. If the Benchmark payable on the Notes rises during periods in which the benchmark rates with respect to the various Infra Loan Obligations are stable or falling, the "excess spread" (i.e., the difference between the interest collected on the Infra Loan Obligations and the sum of the interest payable on the Notes and certain transaction fees, costs and expenses payable and/or incurred by the Issuer) that otherwise would be available as credit support may instead be used to pay interest on the Notes. In addition, there is no requirement under the Reinvestment Criteria for Reinvestment Infra Loan Obligations to bear interest at a floating rate or on a particular basis, and the interest rates available for such Reinvestment Infra Loan Obligations are inherently uncertain. To mitigate reset risk, a Payment Frequency Switch Event shall occur if, on any Determination Date, (amongst other things) the Aggregate Principal Balance of the Infra Loan Obligations that are quarterly or more frequently paying obligations in the period ending on such Determination Date is greater than or equal to 85 per cent. of the entire Aggregate Principal Balance of the Portfolio, as more particularly set out in Condition 6(b) (*Payment Frequency Switch Events*).

As a result of these factors, it is expected that there may be a floating rate basis mismatch (including in the case of Infra Loan Obligations that pay a floating rate based on a benchmark other than Term SOFR or pay a floating rate based on Term SOFR with a different designated maturity to that applicable to the Notes) and mismatch in timing based on different reset periods for such floating rates, in each case, between the Notes and the underlying Infra Loan Obligations (or any Reinvestment Infra Loan Obligations, if applicable). As a result of such mismatches, changes in the level of Term SOFR, Daily Non-Cumulative Compounded SOFR or any other applicable floating rate index could adversely affect

the ability of the Issuer to make payments on the Notes, regardless of the occurrence of a Payment Frequency Switch Event. The Issuer has not hedged, and there is no provision for the Issuer to hedge, its interest rate exposures. Accordingly, there can be no assurance that the Infra Loan Obligations and any Reinvestment Infra Loan Obligations will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Notes.

Transition to new benchmark rates could adversely affect an investment in the Notes

While the Benchmark for the Notes may be replaced with the Benchmark Replacement in accordance with Condition 14(d) (*Effect of Benchmark Transition Event*), including in some situations without the consent of any Noteholders, there can be no assurance that any such change: (a) will effectively mitigate interest rate risks or result in an equivalent methodology for determining the interest rates on the Notes, (b) will be adopted prior to any date on which the Issuer suffers adverse consequences from the elimination or modification or potential elimination or modification of the Benchmark or (c) will not have a material adverse effect on the holders of any Class of Notes, including the liquidity of such Notes. Potential investors in the Notes should consider the future uncertainty with respect to the Benchmark and its possible effects on the Infra Loan Obligations and the Notes in making their investment decision.

The use of Term SOFR as a reference rate for the Notes is subject to important limitations

Term SOFR is the forward-looking term rate based on SOFR for the Designated Maturity (as defined under the section entitled "*Terms and Conditions of the Notes*" of this Information Memorandum) published by the administrator of Term SOFR, which is CME Group Benchmark Administration Limited. There is no guarantee that CME Group Benchmark Administration Limited will continue to publish Term SOFR, or that the rates calculated and reported by CME Group Benchmark Administration Limited reflect rates applied in actual transactions.

SOFR is a broad US Treasury repo financing rate that represents overnight secured funding transactions.

The Federal Reserve Bank of New York ("**FRBNY**") began publishing SOFR in April 2018. The FRBNY has also started publishing historical indicative SOFR dating back to 2014, although such historical indicative data inherently involves assumptions, estimates and approximations. On 29 July 2021, the Alternative Reference Rates Commitment ("**ARRC**") announced that it recommended Term SOFR, a similar forward-looking term rate which is based on SOFR, for business loans. Since the initial publication of SOFR, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmark or market rates, and SOFR over the term of the Notes may bear little or no relation to the historical actual or historical indicative data. Noteholders should not rely on any historical changes or trends in SOFR as an indicator of future changes in SOFR.

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

The terms and conditions of the Notes provide for certain fallback arrangements in the event that a Benchmark Transition Event occurs, which is based on the ARRC recommended language. There is, however, no guarantee that the fallback arrangements will operate as intended at the relevant time or

operate on terms commercially acceptable to all Noteholders. Any of the fallbacks may result in interest payments that are lower than, or do not otherwise correlate over time with, the payments that would have been made on the Notes if Term SOFR had been provided by the FRBNY in its current form. Potential investors should consult their own independent advisers and make their own assessment about the potential risks in making any investment decision with respect to any Notes.

The market continues to develop in relation to Term SOFR as a reference rate

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

The use of Term SOFR as a reference rate for collateralised loan obligations is nascent, and may be subject to change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of collateralised loan obligations referencing such rates. The Notes may have no established trading market when issued, and an established trading market may never develop or may not be very liquid, which, in turn, may reduce the trading price of such Notes or mean that investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. Investors should consider these matters when making their investment decision with respect to the Notes.

There are certain mandatory redemption arrangements, and the Notes are subject to certain special redemption and optional redemption arrangements

Certain mandatory redemption arrangements may result in an elimination, a deferral or a reduction in the interest payments or principal repayments made to the Class C Noteholders and the Class D Noteholders, or the level of the returns to the holders of the Subordinated Notes, including the breach of any of the Coverage Tests (as defined under the section entitled "*Terms and Conditions of the Notes*" of this Information Memorandum) required to be satisfied on the applicable Determination Dates.

Following:

(a) the expiry of the Non-Call Period, the Rated Notes may be redeemed in whole, but not in part, at the option of the holders of the Subordinated Notes (acting by way of Extraordinary Resolution) or at the direction of the Collateral Manager (subject to the subsequent consent of the holders of the Subordinated Notes (acting by way of Extraordinary Resolution)); and

(b) the redemption in full of the Class A Notes, all other Classes of Notes may be redeemed in whole and if directed in writing by the Collateral Manager,

in each case subject to certain requirements and conditions set out in the Conditions, including, in the case of a Refinancing, the consent of the Collateral Manager. See Condition 7 (*Redemption and Purchase*). Investors should carefully review the circumstances and requirements set out in Condition 7 (*Redemption and Purchase*).

Further, all Classes of Notes may be redeemed in whole on any Notes Payment Date at the option of the holders of the Subordinated Notes (acting by way of Extraordinary Resolution) following the occurrence of a Note Tax Event. See Condition 7(f) (*Redemption following Note Tax Event*). Investors should carefully review the circumstances and requirements set out in Condition 7(f) (*Redemption following Note Tax Event*).

In addition, the Subordinated Notes may be redeemed in whole at the direction of the Subordinated Noteholders (acting by way of Ordinary Resolution) following the redemption in full of all Classes of Rated Notes.

In the event of an early redemption, the holders of the Notes will be repaid prior to the Maturity Date. Where the Notes are to be redeemed by liquidation, there can be no assurance that the Disposal Proceeds and/or Refinancing Proceeds realised and other available funds would permit any distribution on the Subordinated Notes after all required payments are made to the holders of the Rated Notes. In addition, an Optional Redemption could require the Collateral Manager to liquidate positions more rapidly than would otherwise be desirable.

Where the Rated Notes are redeemable at the discretion of a transaction party or a particular Class of Noteholders, there is no obligation to consider the interests of any other party or Class of Noteholders when exercising such discretion.

The average lives of the Notes will be dependent upon a number of factors

The Maturity Date of the Notes is the Notes Payment Date falling on 19 October 2044 (subject to adjustment in accordance with the Terms and Conditions of the Notes if the relevant Notes Payment Date is not a Business Day); however, the principal of the Notes of each Class is expected to be repaid in full prior to the Maturity Date. Average life of a Note refers to the average amount of time that will elapse from the date of delivery of a Note until the principal of such Note is fully repaid. The average lives of the Notes will be determined by the amount and frequency of principal payments, which are dependent upon, among other things, the amount of payments received at or in advance of the scheduled maturity of the Infra Loan Obligations (whether through sale, maturity, redemption, default or other liquidation or disposition). The actual average lives and actual maturities of the Notes will be affected by the financial condition of the Obligors relating to the underlying Infra Loan Obligations and the terms and characteristics of the relevant Infra Loan Obligations, including the existence and frequency of exercise of any optional or mandatory redemption features, the prevailing level of interest rates, the redemption price, any prepayment fees, the actual default rate, the actual level of recoveries on any Defaulted Obligations and the timing of defaults and recoveries. Infra Loan Obligations may be subject to optional prepayment by the Obligors of such Infra Loan Obligations. Any disposition of an Infra Loan Obligation may change the composition and characteristics of the remaining Portfolio and the rate of payment thereon and, accordingly, may affect the actual average lives of the Notes. The rate of and timing of future defaults and the amount and timing of any cash realisation from Defaulted Obligations also will affect the maturity and average lives of the Notes.

Projections, forecasts and estimates are forward-looking statements and are inherently uncertain

Estimates of the average lives of the Notes, together with any projections, forecasts and estimates provided to potential investors in the Notes, are forward-looking statements. Projections are necessarily speculative in nature, and it should be expected that some or all of the assumptions underlying the

projections will not materialise or will vary significantly from actual results. Accordingly, actual results will vary from the projections, and such variations may be material. Some important factors that could cause actual results to differ materially from those in any forward-looking statements include changes in interest rates, exchange rates and default and recovery rates; market, financial or legal uncertainties; the timing of acquisitions of Infra Loan Obligations; differences in the actual allocation of Infra Loan Obligations among asset categories from those assumed; and mismatches between the time of accrual and receipt of Interest Proceeds from the Infra Loan Obligations. Neither the Issuer nor any of the Collateral Manager, the Trustee, the Sole Global Coordinator, the Joint Bookrunners, the Transaction Administrator and any other party to this transaction has any obligation to update or otherwise revise any projections, forecasts or estimates, including any revisions to reflect changes in economic conditions or other circumstances arising after the date of this Information Memorandum or to reflect the occurrence of unanticipated events.

Ratings of the Notes are not recommendations to purchase and future events may impact any ratings of the Notes and impact the market value of or liquidity in the Notes; ratings of the Notes are not assured and are limited in scope

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the Rating Agency at any time. Credit ratings represent a rating agency's opinion regarding the credit quality of an asset but are not a guarantee of such quality. There is no assurance that a rating accorded to any of the Rated Notes will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the Rating Agency if, in its judgment, circumstances in the future so warrant. If a rating initially assigned to any of the Rated Notes is subsequently lowered for any reason, no person or entity is required to provide any additional support or credit enhancement with respect to any such Rated Notes and the market value of such Rated Notes is likely to be adversely affected. Prospective investors in the Rated Notes should assess for themselves the credit quality of the Rated Notes.

The Rating Agency may change its published ratings criteria or methodologies for securities such as the Rated Notes at any time in the future. Further, the Rating Agency may retroactively apply any new standards to the ratings of the Rated Notes. Any such action could result in a substantial lowering (or even withdrawal) of any rating assigned to any Rated Note, despite the fact that such Rated Note might still be performing fully to the specifications set forth for such Rated Note in this Information Memorandum and the Transaction Documents. The rating assigned to any Rated Note may also be lowered following the occurrence of an event or a circumstance, despite the fact that the Rating Agency previously provided confirmation that such occurrence would not result in the rating of such Rated Note being lowered. Additionally, the Rating Agency may, at any time and without any change in its published ratings criteria or methodology, lower or withdraw any rating assigned by it to any Class of Rated Notes. If any rating initially assigned to any Rated Note is subsequently lowered or withdrawn for any reason, holders of the Rated Notes may not be able to resell their Rated Notes without a substantial discount. Any reduction or withdrawal to the ratings on any Class of Rated Notes may significantly reduce the liquidity of the Rated Notes.

The Rating Agency may refuse to give Rating Agency Confirmations

Some actions by the Collateral Manager and the Issuer, including the acquisition of Reinvestment Infra Loan Obligations during the Reinvestment Period and disposal of Infra Loan Obligations require Rating Agency Confirmation that such actions would not cause the ratings on the applicable securities to be lowered or withdrawn. Certain rating agencies have changed the manner and the circumstances under which they are willing to provide such confirmations, and have in the past indicated reluctance to provide confirmation in the future, regardless of the requirements of the Trust Deed and the other Transaction Documents. Where the Transaction Documents require that Rating Agency Confirmation be obtained before certain actions may be taken and the Rating Agency is unwilling to provide the required

confirmation, it may be impossible to effect such action, which could result in losses being realised by the Issuer and, indirectly, by holders of the Notes.

The Conditions of the Notes **provided that**, if among other circumstances, the Rating Agency announces or informs the Issuer, the Trustee or the Collateral Manager that Rating Agency Confirmation is not required for a certain action or that its practice is not to give such confirmations for certain types of actions, the requirement Rating Agency Confirmation will not apply. There can be no assurance that the Rating Agency will provide such Rating Agency Confirmation upon request, regardless of the terms agreed to among transaction participants, or not subsequently withdraw or downgrade its ratings on one or more Classes of Rated Notes, which could materially adversely affect the value or liquidity of the Notes.

Failure of a court to enforce non-petition obligations will adversely affect the Noteholders

Each Noteholder will agree, and each beneficial owner of Notes will be deemed to agree, pursuant to the Trust Deed, that it will be subject to non-petition covenants. If such provision failed to be enforceable under applicable bankruptcy laws, and the Issuer becomes involved in a winding-up (or similar) position, then the presentation of such a petition could (subject to certain conditions) result in one or more payments on the Notes made during the period prior to such presentation being deemed to be preferential transfers subject to avoidance by the bankruptcy trustee or similar official exercising authority with respect to its bankruptcy estate. It could also result in the bankruptcy court, trustee or receiver liquidating its assets without regard to any votes or directions required for such liquidation pursuant to the Trust Deed, and could result in any payments under the Notes made during the period prior to such presentation being deemed to be a fraudulent or an improper disposition of its assets.

There are some key risks relating to modifications, amendments and waivers required in connection with the Transaction Documents

The Conditions and the Trust Deed contain detailed provisions governing modification of the Conditions and the Transaction Documents and the convening of meetings and passing of Resolutions by the Noteholders. Certain key risks relating to these provisions are summarised below.

The Trustee may, in its discretion, determine that any proposed Ordinary Resolution or Extraordinary Resolution affects only the holders of one or more Classes of Notes, in which event the required quorum and minimum percentage voting requirements of such Ordinary Resolution or Extraordinary Resolution may be determined by reference only to the holders of that Class or Classes of Notes.

If a meeting of Noteholders is called to consider a Resolution, determination as to whether the requisite number of Notes has been voted in favour of such Resolution will be determined by reference to the percentage which the Notes voted in favour represent of the total amount of Notes held or represented by any person or persons entitled to vote which are present and are voted at such meeting, and not by the aggregate Principal Amount Outstanding of all such Notes which are entitled to be voted in respect of such Resolution. The voting threshold at any Noteholders' meeting in respect of an Ordinary Resolution or an Extraordinary Resolution of all Noteholders is, respectively, more than 50 per cent. or at least 66 2/3 per cent. of the votes cast on such Resolution. This means that a lower percentage of Noteholders may pass a Resolution which is put to a meeting of Noteholders than would be required for a Written Resolution in respect of the same matter, which would be determined by reference to the aggregate Principal Amount Outstanding of the relevant Class of Notes. See Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*). There are, however, quorum provisions which provide that a minimum number of Noteholders representing a minimum amount of the aggregate Principal Amount Outstanding of the applicable Class or Classes of Notes be present at any meeting to consider an Extraordinary Resolution or an Ordinary Resolution. In the case of an Extraordinary Resolution, this is one or more persons holding or representing not less than 66 2/3 per cent. of the aggregate Principal

Amount Outstanding of each Class of Notes (or the relevant Class or Classes only, if applicable) and, in the case of an Ordinary Resolution, this is one or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or the relevant Class or Classes only, if applicable). Such quorum provisions still, however, require considerably lower thresholds than would be required for a Written Resolution. In addition, if a quorum requirement is not satisfied at any meeting, a lower quorum threshold (when a quorum will be satisfied by any one or more holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or of the relevant Class or Classes only, if applicable)) will apply at any meeting previously adjourned for want of quorum, as set out in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and in the Trust Deed. Any such Resolution may be adverse to any Class of Noteholders or to any group of Noteholders or individual Noteholders within any Class.

Certain decisions, including the removal of the Collateral Manager by the Controlling Class and instructing the Trustee to sell the Collateral following the acceleration of the Notes, require authorisation by resolution of the requisite majority of the holders of a Class or Classes of Notes.

Certain waivers, amendments, modifications and substitutions to the Transaction Documents may be made without the consent of any Noteholders, and in certain cases, the Trustee (subject to the receipt of prior written notice and certain other conditions, including, without limitation, those set out in Condition 14(c) (*Modification and Waiver*)) will be obliged to consent to such changes. Without limitation to the foregoing, potential investors should note that the Issuer may amend the Transaction Documents to modify or amend the components of the Coverage Tests, the Reinvestment Criteria or certain Rating Agency requirements and the related definitions, **provided that** Rating Agency Confirmation has been obtained and (to the extent provided in Condition 14(c) (*Modification and Waiver*)) the Controlling Class has consented by way of Ordinary Resolution or has not opposed such amendments. Potential investors should also note that the Issuer may change the date within the month on which reports are required to be delivered. The Trustee has no discretion in such cases to agree to any amendments, modifications and/or waivers. See Condition 14(c) (*Modification and Waiver*). Any such amendment or modification could be prejudicial or adverse to certain Noteholders. In addition, the Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require (without the consent of the Noteholders of any Class), to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes of each Class, subject to certain conditions set out in the Trust Deed being complied with.

In the circumstances described in the Conditions, the Trustee is obliged to agree for the Issuer to enter into additional agreements not expressly prohibited by the Trust Deed or the Collateral Management and Administration Agreement (and amendments, waivers or modifications thereto), in each case without the need for the consent of the Noteholders. The Trustee may further agree to formal, minor or technical changes to the Transaction Documents, changes to correct a manifest error or changes which, in its opinion, are not materially prejudicial to the interests of the Noteholders of any Class without the need for the consent of the Noteholders. In addition to the Trustee's right to agree to such changes, modifications may also be made and waivers granted in respect of certain other matters, which the Trustee is obliged to consent to without the consent of the Noteholders as set out in Condition 14(c) (*Modification and Waiver*).

Certain entrenched rights relating to the Conditions, including the currency thereof, Notes Payment Dates applicable thereto, the Priorities of Payments, the provisions relating to quorums and the percentages of votes required for the passing of an Extraordinary Resolution can only be amended or waived by Extraordinary Resolution. It should, however, be noted that amendments may still be effected and waivers may still be granted in respect of such provisions in circumstances where not all Noteholders agree with the terms thereof, and any amendments or waivers once passed in accordance with the provisions of the Conditions and the provisions of the Trust Deed will be binding on all such dissenting Noteholders.

Where there is concentrated ownership of one or more Classes of Notes, it may be more difficult for other investors to take certain actions

If at any time one or more investors that are affiliated hold a majority of any Class of Notes, it may be more difficult for other investors to take certain actions that require consent of any such Classes of Notes without their consent. For example, optional redemption and the removal of the Collateral Manager for cause and appointment are at the direction of holders of specified percentages of Subordinated Notes and/or the Controlling Class (as applicable).

Noteholders may not receive individually registered holdings of Notes, which may cause delays in distributions and hamper Noteholders' ability to grant security over or resell the Notes

Unless beneficial interests in the Notes held through Euroclear and/or Clearstream and/or an alternative clearing system (each, a "**Clearing System**") are exchanged for individually registered holdings of Notes represented by Definitive Certificates, which will only occur under a limited set of circumstances, beneficial ownership of the Notes will only be registered in book-entry form with the relevant Clearing System (such registered interests being "**Book-Entry Interests**"). Investors should be aware that the lack of individually registered holdings of Notes could, among other things, give rise to the following adverse effects for investors: (a) payment delays on the Notes arising as a result of the Issuer or the Principal Paying Agent on its behalf sending distributions on the Notes to the applicable Clearing System, where delays may occur, instead of directly to Noteholders; (b) difficulties for Noteholders granting security over the Notes if individually registered holdings of Notes are required by the party demanding the security; and (c) the liquidity of the Notes in the secondary market being reduced where potential investors are unwilling to buy Notes that are not registered individually.

There are risks associated with holding the Notes via Book-Entry Interests in the Clearing Systems

Unless and until Book-Entry Interests are exchanged for individually registered holdings of the Notes, holders and beneficial owners of Book-Entry Interests will not, in general, be considered the legal owners or holders of the Notes under the Trust Deed. After payment by the Principal Paying Agent to the relevant Clearing System, the Issuer will not have responsibility or liability for the payment of interest, principal or other amounts in respect of the Notes to holders or beneficial owners of Book-Entry Interests (see "*Form of the Notes*"). The common depository for Euroclear, Clearstream (or its nominee) or an alternative clearing system will be the registered holder of the Notes as shown in the records of the applicable Clearing System, and will be the sole Noteholder under the Trust Deed while beneficial interests in the Notes are held in the Clearing Systems and the Notes are represented by Global Certificates. Accordingly, each person or entity owning a Book-Entry Interest must rely on the procedures of the relevant Clearing System and, if such person or entity is not a participant in such Clearing System, on the procedures of the participant through which such person owns its interest, to exercise any right of a Noteholder under the Trust Deed.

Unlike Noteholders, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by or on behalf of the Issuer for consents or requests by or on behalf of the Issuer for waivers or other actions from Noteholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent that it has received an appropriate proxy to do so from the relevant Clearing System or, if applicable, the participant through which it holds its interest. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of a Note Event of Default under the Notes, holders of Book-Entry Interests will be restricted to acting through the relevant Clearing System, unless and until Book-Entry Interests are exchanged for individually registered holdings of Notes represented by Definitive Certificates in accordance with the relevant provisions described herein under "*Terms and Conditions of the Notes*". There can be no assurance that the procedures to be implemented by the Clearing Systems in such circumstances will be

adequate to ensure the timely exercise of Noteholders' rights under the Trust Deed, which could result in actions being taken, or not being taken, in a manner which is detrimental to Noteholders.

Although each of the Clearing Systems has agreed to certain procedures to facilitate transfers of Book-Entry Interests between their respective accountholders, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time.

None of the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Issuer, the Trustee, the Transaction Administrator, any Principal Paying Agent, the Registrar or any of their agents will have any responsibility for the performance by the Clearing Systems, or their respective participants or accountholders, of their respective obligations under the rules and procedures governing their operations. Consequently, investors should be aware that, should they suffer loss through the actions of the Clearing Systems or their respective participants or accountholders, they will have no recourse to the Issuer, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Trustee, any Paying Agent, the Registrar or any of their agents for any of such loss.

The Trustee may exercise enforcement rights following an event of default

If a Note Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by Extraordinary Resolution (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), give the Issuer and the Collateral Manager notice that all the Notes are to be immediately due and payable, following which the security over the Collateral shall become enforceable and, save as provided below, the Trustee may, at its discretion, or if so directed by the Controlling Class acting by Extraordinary Resolution shall (subject in each case to the Trustee being indemnified and/or prefunded and/or secured to its satisfaction) enforce such security. Following a Note Event of Default described in Condition 10(a)(vi) (*Insolvency Proceedings*), such notice shall be deemed to have been given and all the Notes shall automatically become immediately due and payable.

At any time after the Notes become due and payable and the security over the Collateral becomes enforceable, the Trustee may, at its discretion, and shall, if so directed by the Controlling Class acting by Extraordinary Resolution (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), take an Enforcement Action in respect of the security over the Collateral, **provided that** no such Enforcement Action may be taken by the Trustee unless: (A) it determines in consultation with the Collateral Manager in accordance with Condition 11 (*Enforcement*) that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes other than the Subordinated Notes (including, without limitation, Deferred Interest on the Class C Notes and the Class D Notes) and all amounts payable in priority thereto pursuant to the Priorities of Payments and the Controlling Class agrees with such determination by an Extraordinary Resolution; or otherwise (B) in the case of a Note Event of Default specified in sub-paragraph (i), (ii), (iv) or (vi) of Condition 10(a) (*Note Events of Default*), the Controlling Class acting by way of Extraordinary Resolution (and no other Class of Notes) may direct the Trustee to take Enforcement Action without regard to any other Note Event of Default which has occurred prior to, contemporaneously or subsequent to such Note Event of Default.

The requirements described above could result in the Controlling Class being unable to procure enforcement of the security over the Collateral in circumstances in which they desire such enforcement, and may also result in enforcement of such security in circumstances where the proceeds of liquidation thereof would be insufficient to ensure payment in full of all amounts due and payable in respect of all the Notes in accordance with the Post-Acceleration Priority of Payments and/or at a time when enforcement thereof may be adverse to the interests to certain Classes of Notes and, in particular, the Subordinated Notes.

The fixed charge over the Collateral may take effect as a floating charge

Although the Trust Deed and the Hong Kong Security Deed each provide by their terms that the security constituted by each of them over the Collateral of the Issuer is expressed to take effect as a fixed charge, it may (as a result of, among other things, the reinvestments of Infra Loan Obligations contemplated by the Collateral Management and Administration Agreement and the payments to be made from the Accounts and any Eligible Depository Account in accordance with the Conditions, the Trust Deed and the Hong Kong Security Deed) take effect as a floating charge which, in particular, would rank after a subsequently created fixed charge. However, the Issuer has covenanted in the Trust Deed and the Hong Kong Security Deed not to create any such subsequent security interests (other than those permitted under the Trust Deed) without the consent of the Trustee.

Application of Hong Kong insolvency and related laws to the Issuer may result in a material adverse effect on the Noteholders

The Issuer covenants in the Trust Deed to restrict its activities to those permitted by the Trust Deed. Although the transaction structure is intended to minimise the likelihood of the Issuer's bankruptcy or insolvency, there can be no assurance that the Issuer will not become bankrupt, insolvent, unable to pay its debts, schemes of arrangement, winding-up or liquidation order or other insolvency-related proceedings or procedures. In the event of an insolvency of the Issuer, the application of certain provisions of Hong Kong insolvency laws and related laws may have a material adverse effect on the Noteholders.

In accordance with the terms of the Trust Deed and the Hong Kong Security Deed, the Issuer grants various fixed charges as described in Condition 4 (*Security*). These fixed charges may take effect under Hong Kong law as floating charges if, for example, it is determined that the Trustee does not exert sufficient control over the charged property for the security to be said to constitute a fixed security interest. If the fixed charges are recharacterised as floating charges instead of fixed charges, then, for example, as a matter of law, certain additional claims would have priority over the claims of the Trustee in respect of the floating charge assets. In particular, for example, the remuneration, debts, liabilities and expenses of, or incurred by, any liquidator and the claims of certain preferential creditors would rank ahead of the claims of the Trustee in this regard. Outside winding up, preferential creditors who would have priority in the case of winding up over the claims of a floating charge would continue to have such priority preserved if a receiver were appointed over the assets that are subject to the floating charge.

This Information Memorandum has been prepared on the basis of law, treaties, rules and regulations (and interpretations thereof) in force as at the date of this Information Memorandum. Such laws, treaties, rules and regulations (and interpretations thereof) may be subject to change or adverse interpretations after the Closing Date. Therefore, there can be no assurance that, as a result of any such change or adverse interpretations, the Issuer's ability to make payments under the Notes, or the interests of the Noteholders in general, might not in the future be adversely affected.

Noteholders are exposed to risks relating to Hong Kong taxation

The Issuer's Hong Kong sourced income will be assessed to Hong Kong profits tax subject to a deduction for all outgoings and expenses to the extent which they are incurred in the production of assessable profits in Hong Kong (including interest paid on the Notes). The Issuer will have to make these tax payments on an annual basis. If the Issuer is required to pay an amount of tax to the Inland Revenue Department of Hong Kong, the Issuer would pay the tax liability senior in the Priorities of Payments prior to making payments of interest on the Notes. If this occurred, then it could impact the Issuer's ability to make payments under the Notes.

The Noteholders will not receive any payments from the Issuer to compensate for any tax required to be withheld or deducted by the Issuer. If withholding of, or deduction of, any present or future taxes, duties, assessments or governmental charges of whatever nature is imposed, levied, collected, withheld or assessed by or within Hong Kong or any authority thereof or therein having power to tax, the Issuer shall not be required to gross up any payments made to Noteholders of any Class and shall withhold or deduct from such payments any amounts on account of such tax, duties, assessments or governmental charges where so required by law or any such relevant taxing authority.

Please refer to the section entitled "*Taxation — Hong Kong Taxation*" of this Information Memorandum for further details.

Anti-money laundering, corruption, bribery and similar laws may require certain actions or disclosures

Many jurisdictions have adopted wide-ranging anti-money laundering, anti-corruption, anti-bribery and similar laws and regulations. Any of the Issuer, its Affiliates or any other person could be requested or required to obtain certain assurances from potential investors intending to purchase Notes and to retain such information or to disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries, or engage in due diligence or take other related actions in the future.

Whilst the Class A1-SU Notes being issued seek to comply with the ICMA Green Bond Principles, the ICMA Social Bond Principles and the ICMA Sustainability Bond Guidelines, where relevant, they may not be a suitable investment for all investors seeking exposure to green, social or sustainability assets

The Class A1-SU Notes, with an initial principal amount of US$107 million, represent 25.3 per cent. of the principal amount of the Notes on the Closing Date. The initial aggregate principal amount of the Class A1-SU Eligible Loans is US$132 million (and US$132 million in aggregate principal amount), representing 31.2 per cent. of the aggregate principal amount of the total Portfolio on the Closing Date.

The SGS Framework, which was first issued by HKMC in September 2022, demonstrates how HKMC intends to issue green, social and/or sustainability financing instruments. These instruments finance the purchase of green and/or social loans that meet the eligibility criteria stated in the SGS Framework. The issuance of green, social and/or sustainability financing instruments aims to deliver positive environmental and/or social outcomes, which support HKMC's sustainability strategy.

The SGS Framework has been developed in alignment with the following sustainable finance principles and guidelines:

- International Capital Market Association Green Bond Principles 2021 and appendix 1 updated in 2022;

- International Capital Market Association Social Bond Principles 2021 and appendix 1 updated in 2022; and

- International Capital Market Association Sustainability Bond Guidelines 2021.

HKMC has appointed Sustainalytics to provide an assessment of HKMC's SGS Framework ("**Framework Second Party Opinion**"), primarily on the SGS Framework's alignment with the above principles and guidelines. Sustainalytics is of the opinion that the SGS Framework is credible and impactful and aligns with the above principles and guidelines. HKMC has also appointed DNV Business Assurance Singapore Pte. Ltd ("**DNV**") to provide a pre-issuance report relating to the Class A1-SU Notes ("**Pre-Issuance Second Party Report**"). DNV has opined that the issuance of the Class A1-SU

Notes is aligned with the above principles and guidelines and the underlying projects of the Class A1-SU Notes meet the eligibility criteria established in the SGS Framework. HKMC has also appointed Environmental Resources Management (S) Pte Ltd to provide a pre-issuance impact report assessing the positive environmental and social impact associated with the underlying projects for the Class A1-SU Notes ("**Pre-Issuance Impact Report**"). For the avoidance of doubt, none of the SGS Framework, the Framework Second Party Opinion, the Pre-Issuance Second Party Report or the Pre-Issuance Impact Report shall be deemed to be incorporated into and/or form part of this Information Memorandum, and none of these documents have been scrutinised or approved by the SEHK.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any external party. The Sole Global Coordinator and the Joint Bookrunners have not undertaken, nor are responsible for, any assessment of the eligibility of the SGS Framework, the Class A1-SU Eligible Loans, or the monitoring of the use of proceeds from the offering of the Class A1-SU Notes or the allocation of the proceeds by the Issuer to particular Class A1-SU Eligible Loans. Each potential investor in the Class A1-SU Notes should determine for itself the relevance of the information contained in this Information Memorandum regarding the use of proceeds, and its purchase of the Class A1-SU Notes should be based upon such investigation as it deems necessary. Therefore, the Class A1-SU Notes may not be a suitable investment for all investors seeking exposure to green, social or sustainability assets. The description of Class A1-SU Eligible Loans provided elsewhere in this Information Memorandum is for illustrative purposes only, and no assurance can be provided that investment in projects with these specific characteristics will be made by the Issuer during the term of the Class A1-SU Notes.

Currently, the providers of second party opinions and providers of similar opinions, certifications and validations are not subject to any specific regulatory or other regime or oversight. Any withdrawal of any such opinion, certification or validation, or any such opinion, certification or validation attesting that the Issuer is not complying in whole or in part with any matters for which such opinion, certification or validation is opining on or certifying on may have a material adverse effect on the value of the Class A1-SU Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Sponsor, the Collateral Manager, the Collateral Manager Related Party, the Issuer, the Sole Global Coordinator, the Joint Bookrunners or any other person to buy, sell or hold any such green, social or sustainability notes. Noteholders have no recourse against the Issuer, the Sponsor, the Collateral Manager, the Collateral Manager Related Party or any of the Sole Global Coordinator, the Joint Bookrunners or the provider of any such opinion, certification or validation for the contents of any such opinion, certification or validation, which is only current as at the date it was initially issued. Potential investors must determine for themselves the relevance of any such opinion, certification or validation and/or the information contained therein and/or the provider of such opinion, certification or validation for the purpose of any investment in the Class A1-SU Notes.

There is no contractual obligation to allocate the proceeds of the Class A1-SU Notes to finance eligible loans as described in the section entitled "*Use of Proceeds*" below of this Information Memorandum. While the Issuer has agreed to certain obligations relating to use of proceeds and reporting as described under the section entitled "*Use of Proceeds*" of this Information Memorandum, it will not constitute a Note Event of Default under the terms and conditions of the Class A1-SU Notes if the Sponsor and/or the Collateral Manager fail to allocate an amount equal to the proceeds of the Class A1-SU Notes to the Class A1-SU Eligible Loans or otherwise to comply with their respective obligations as described in the SGS Framework. Failure by the Sponsor and/or the Collateral Manager and/or the Issuer to comply with such obligations may have an adverse effect on the value of the Class A1-SU Notes and/or may have adverse consequences for certain investors with portfolio mandates to invest in social or green assets.

No assurance can be provided that the use of the proceeds of the Class A1-SU Notes will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Class A1-SU Eligible Loans. In the event that the Class A1-SU Notes are included in any dedicated "green", "environmental", "sustainable" or other equivalently-labelled index, no assurance is given by the Issuer or any other person that such listing or admission, or inclusion in such index, satisfies any present or future investor expectations or requirements as regards to any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable laws or regulations or by its own constitutive documents or other governing rules or investment portfolio mandates. None of the Sponsor, the Collateral Manager, the Collateral Manager Related Parties, the Issuer, the Sole Global Coordinator, the Joint Bookrunners or their respective Affiliates make any representation as to the suitability for any purpose of the SGS Framework, such reports and/or documents or (i) whether the Class A1-SU Notes will meet investors' criteria and expectations regarding environmental impact and sustainability performance for any investors, (ii) whether the net proceeds will be used to finance and/or refinance the Class A1-SU Eligible Loans (as further described in the section entitled "*Use of Proceeds*" in this Information Memorandum), or (iii) the characteristics of Class A1-SU Eligible Loans, including their relevant environmental and sustainability criteria.

The Framework Second Party Opinion, the Pre-Issuance Second Party Report and the Pre-Issuance Impact Report may not reflect the potential impact of all risks related to the structure, marketability, trading price, or liquidity and other factors that may affect the price or value of the Class A1-SU Notes. The Framework Second Party Opinion, the Pre-Issuance Second Party Report and the Pre-Issuance Impact Report shall not constitute a recommendation to buy, sell or hold any of the Class A1-SU Notes, and are only current as at the date they were initially issued and are subject to any disclaimers set out therein, and may be updated, suspended or withdrawn at any time. Furthermore, such reports and/or documents are for information purposes only and none of the Collateral Manager, the Sole Global Coordinator, and the Joint Bookrunners accept any form of liability for the substance of such reports and/or documents and/or any liability for loss arising from the use of such reports and/or documents or the information provided therein.

There is currently no clear definition of, or market consensus on what constitutes, a "green", "social" or "sustainable" project or on what precise attributes are required for a particular project or series of notes to be defined as "green", "social" or "sustainable", and therefore no assurance can be given to potential investors that selected Class A1-SU Eligible Loans will meet all investor expectations regarding environmental or social performance or that any adverse environmental, social and/or other impacts will not occur during the operation of any Class A1-SU Eligible Loans. Although the Class A1-SU Eligible Loans are expected to be selected in accordance with the categories recognised under the SGS Framework, and the underlying projects are expected to be developed in accordance with relevant legislation and standards, there can be no guarantee that the projects will deliver the environmental or social benefits as anticipated, or that adverse environmental or social impacts will not occur during the planning, design, construction, commissioning or operation of any such projects. In addition, where any negative impacts are insufficiently mitigated, the projects may become subject to criticism, complaints, controversy or negative press initiated by activist groups or other stakeholders.

Collections in respect of the Class A1-SU Eligible Loans will be applied by the Issuer on each Notes Payment Date as either Interest Proceeds via the Interest Priority of Payments, or as Principal Proceeds via the Principal Priority of Payments, rather than being available for payments in respect of the Class A1-SU Notes only. Accordingly, there can be no assurance that the value of the Class A1-SU Eligible Loans will continue to be at least equal to the Principal Amount Outstanding of the Class A1-SU Notes on an ongoing basis. The Issuer may elect not to replenish or acquire further Class A1-SU Eligible Loans after the Closing Date.

None of the Sponsor, the Collateral Manager, the Issuer, the Sole Global Coordinator, the Joint Bookrunners, or their respective Affiliates makes any representation as to the compliance of the Sponsor, the Collateral Manager and/or the Issuer with the SGS Framework. None of the SGS Framework, the Framework Second Party Opinion, the Pre-Issuance Second Party Report or the Pre-Issuance Impact Report is incorporated into, or forms part of, this Information Memorandum.

Regulatory risks relating to the Notes

In Asia, Europe, the US and elsewhere there has been, and there continues to be, increased political and regulatory scrutiny of banks, financial institutions, "shadow banking entities" and the asset-backed securities industry. This has resulted in a broad range of measures for increased regulation which are currently at various stages of implementation and which may have a material or adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold or trade asset-backed securities, and may thereby affect the liquidity of such securities. Potential investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Collateral Manager, any Collateral Manager Related Party, the Sponsor, the Trustee, nor any of their Affiliates, makes any representation to any prospective investor or purchaser of the Notes regarding the impact of such regulation on investors or the regulatory capital treatment of their investment in the Notes on the Closing Date or at any time in the future.

This uncertainty is further compounded by the numerous regulatory efforts underway in Asia, Europe, the US and globally. Certain of these efforts overlap. In addition, even where these regulatory efforts overlap, they generally have not been undertaken on a coordinated basis. Areas where divergence between regulation exists or has begun to develop (whether with respect to scope, interpretation, timing, approach or otherwise) include capital and liquidity requirements that may result in mandatory "ring-fencing" of capital or liquidity in certain jurisdictions, among others. Investors should be aware that those risks are material and that the Issuer and, consequently, an investment in the Notes, could be materially and adversely affected thereby.

Securitisation Regulation Risk Retention and Due Diligence Requirements

Investors should be aware, and in some cases are required to be aware, of the investor diligence requirements that apply in the EU (the "**EU Due Diligence Requirements**") under the EU Securitisation Regulation, and in the UK (the "**UK Due Diligence Requirements**") under the UK Securitisation Regulation, in addition to any other regulatory requirements that are (or may become) applicable to them or with respect to their investment in the Notes.

The EU Due Diligence Requirements apply to institutional investors (as defined in the EU Securitisation Regulation), being (subject to certain conditions and exceptions): (a) institutions for occupational retirement provision, and investment managers and authorised entities appointed by such institutions; (b) credit institutions (as defined in Regulation (EU) No 575/2013, as amended (the "**CRR**")); (c) alternative investment fund managers who manage and/or market alternative investment funds in the EU; (d) investment firms (as defined in the CRR); (e) insurance and reinsurance undertakings; and (f) management companies of UCITS funds (or internally managed UCITS); and the EU Due Diligence Requirements apply also to certain consolidated affiliates of such credit institutions and investment firms. Each such institutional investor and each relevant affiliate is referred to herein as a "**EU Institutional Investor**".

The UK Due Diligence Requirements apply to institutional investors (as defined in the UK Securitisation Regulation) being (subject to certain conditions and exceptions): (a) insurance undertakings and reinsurance undertakings as defined in the Financial Services and Markets Act 2000 (as amended, the "**FSMA**"); (b) occupational pension schemes as defined in the Pension Schemes Act 1993 that have their

main administration in the UK, and certain fund managers of such schemes; (c) alternative investment fund managers as defined in the Alternative Investment Fund Managers Regulations 2013 which market or manage alternative investment funds in the UK; (d) UCITS as defined in the FSMA, which are authorised open-ended investment companies as defined in the FSMA, and management companies as defined in the FSMA; and (e) CRR firms as defined in Regulation (EU) No 575/2013 as it forms part of UK domestic law by virtue of the EUWA; and the UK Due Diligence Requirements apply also to certain consolidated affiliates of such CRR firms. Each such institutional investor and each relevant affiliate is referred to herein as a "**UK Institutional Investor**".

EU Institutional Investors and UK Institutional Investors are referred to together as "**Institutional Investors**", and a reference to the applicable "**Securitisation Regulation**" or "**Due Diligence Requirements**" means, in relation to an Institutional Investor, as the case may be, the EU Securitisation Regulation or the UK Securitisation Regulation and the EU Due Diligence Requirements or the UK Due Diligence Requirements, as applicable, to which such Institutional Investor is subject. In addition, for the purpose of the following paragraph, a reference to a "**third country**" means (i) in respect of a EU Institutional Investor and the EU Securitisation Regulation, a country other than a EU member state, or (ii) in respect of a UK Institutional Investor and the UK Securitisation Regulation, a country other than the UK.

The applicable Due Diligence Requirements restrict an Institutional Investor from investing in a securitisation unless:

(a) in each case, it has verified that the originator, sponsor or original lender will retain, on an ongoing basis, a material net economic interest of not less than five per cent. in the securitisation determined in accordance with Article 6 of the applicable Securitisation Regulation, and the risk retention is disclosed to the Institutional Investor (the "**Risk Retention Requirements**");

(b) in the case of a EU Institutional Investor, it has verified that the originator, sponsor or securitisation special purpose entity ("**SSPE**") has, where applicable, made available the information required by Article 7 of the EU Securitisation Regulation in accordance with the frequency and modalities provided for thereunder;

(c) in the case of a UK Institutional Investor, it has verified that the originator, sponsor or SSPE, if established in a third country, has, where applicable, made available information which is substantially the same as that which it would have made available under Article 7 of the UK Securitisation Regulation if it had been established in the UK, and has done so with such frequency and modalities as are substantially the same as those with which it would have made information available if it had been established in the UK; and

(d) in each case, it has verified that, where the originator or original lender either (i) is not a credit institution or an investment firm (as defined in the applicable Securitisation Regulation) or (ii) is established in a third country, the originator or original lender grants all the credits giving rise to the underlying exposures on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits, and has effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the obligors' creditworthiness.

The applicable Due Diligence Requirements further require that an Institutional Investor carry out a due diligence assessment which enables it to assess the risks involved prior to investing, including, but not limited to, the risk characteristics of the individual investment position and the underlying assets and all the structural features of the securitisation that can materially impact the performance of the investment. In addition, pursuant to the applicable Securitisation Regulation, while holding an exposure to a securitisation, an Institutional Investor is subject to various monitoring obligations in relation to such

exposure, including, but not limited to: (i) establishing appropriate written procedures to monitor compliance with the Due Diligence Requirements and the performance of the investment and of the underlying assets; (ii) performing stress tests on the cash flows and collateral values supporting the underlying assets; (iii) ensuring internal reporting to its management body; and (iv) being able to demonstrate to its competent authorities, upon request, that it has a comprehensive and thorough understanding of the investment and underlying assets and that it has implemented written policies and procedures for the risk management and as otherwise required by the applicable Securitisation Regulation.

Failure by Institutional Investors to comply with one or more of the requirements may result in various penalties, including, in the case of those Institutional Investors subject to regulatory capital requirements, the imposition of a punitive capital charge on the Notes acquired by the relevant Institutional Investor.

On 10 October 2022, the European Commission published a report (the "**Commission Report**") on the review of the EU Securitisation Regulation in which it expressed its views on the jurisdictional scope of application of the EU Securitisation Regulation in the context of a non-EU securitisation for the purposes of the EU Due Diligence Requirements. In particular, the Commission Report provides guidance on the interpretation of Article 5(1)(e) of the EU Securitisation Regulation (which requires that EU Institutional Investors verify, prior to holding a securitisation position, that the originator, sponsor or SSPE has, where applicable, made available the information described above) in respect of scenarios where none of the originator, sponsor or SSPE are located in the EU. In the Commission Report, the European Commission considers that differentiating the scope of information provided under the EU Due Diligence Requirements based on whether a securitisation is issued by EU entities or entities based in third countries is not in line with the legislative intent and, as such, that the jurisdiction of the originator, sponsor or SSPE should not affect the interpretation of Article 5(1)(e). It is unclear as at the date of this Information Memorandum whether any amendments to the EU Securitisation Regulation which reflect this interpretative guidance will be adopted. In addition, the European Commission proposed to amend the regulatory technical standards in connection with Article 7 of the EU Securitisation Regulation in order to introduce new simplified reporting templates for private securitisations to make it easier for sell-side parties from third countries to provide the required information for the purposes of the EU Due Diligence Requirements. The content of such new reporting templates and the timing of when they will be introduced and become applicable is unclear at this stage. In the UK, the UK regulators are yet to publicly clarify the parameters for satisfying the "substantially the same as" test for the purposes of the UK Due Diligence Requirements. Therefore, Institutional Investors are required to make their own assessment of information received on this transaction and whether it is sufficient for the purposes of compliance with their Due Diligence Requirements.

Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear. Though some aspects of the detail and effect of all of these requirements remain unclear, these requirements and any other changes to the regulation or regulatory treatment of securitisations or of the Notes for investors may negatively impact the regulatory position of individual holders. In addition, such regulations could have a negative impact on the price and liquidity of the Notes in the secondary market.

With respect to the commitment of the Retention Holder to retain a material net economic interest in the securitisation, please see the statements set out in the section entitled "*Risk Retention Requirements*" of this Information Memorandum.

The Issuer shall be the designated entity for the purpose of Article 7(2) of the EU Securitisation Regulation and HKMC, in its capacity as Collateral Manager only, will, on behalf of the Issuer, undertake to use reasonable endeavours to make available to Noteholders and potential investors such additional information as is required to be made available on an ongoing basis pursuant to Articles 7(1)(a), (e), (f) and (g) of each of the EU Securitisation Regulation and the UK Securitisation Regulation. Each

prospective investor in the Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction is sufficient to comply with the EU Securitisation Regulation or the UK Securitisation Regulation or any other applicable legal, regulatory or other requirements, and none of the Issuer, the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Sole Global Coordinator, the Joint Bookrunners, the Transaction Administrator, the Trustee, the Agents, their respective Affiliates, corporate officers or professional advisers or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose, and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the EU Securitisation Regulation or the UK Securitisation Regulation, the implementing provisions in respect of the EU Securitisation Regulation in their relevant jurisdiction or any other applicable legal, regulatory or other requirements.

Each investor should consult with its own legal, accounting, regulatory and other advisers or its regulator before committing to acquire any Notes to determine whether, and to what extent, the information set out in this Information Memorandum and in any investor report provided in relation to the transaction is sufficient for the purpose of satisfying the Due Diligence Requirements. Each investor is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction is sufficient to permit it to comply with the Due Diligence Requirements or any other regulatory requirement. None of the Issuer, the Retention Holder, the Collateral Manager, any Collateral Manager Related Party, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, the Agents, the Transaction Administrator or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose, or that the structure of the Notes and the transactions described herein are compliant with the Due Diligence Requirements or any other applicable legal regulatory or other requirements, and no such person shall have any liability to any prospective investor or any other person with respect to any deficiency in such information or any failure of the transactions contemplated hereby to comply with or otherwise satisfy such requirements. If a regulator determines that the transaction did not comply, or is no longer in compliance, with the Due Diligence Requirements or any applicable legal, regulatory or other requirement, then investors may be required by their regulator to set aside additional capital against their investment in the Notes or take other remedial measures in respect of their investment in the Notes.

There can therefore be no assurances as to whether the transactions described herein will be affected by a change in law or regulation relating to the Due Diligence Requirements, including as a result of any changes recommended in future reports or reviews. Investors should therefore make themselves aware of the Due Diligence Requirements (and any corresponding implementing rules of their regulator), in addition to any other regulatory requirements that are (or may become) applicable to them and/or with respect to their investment in the Notes.

Changes to the UK Securitisation Regulation

The currently applicable UK Securitisation Regulation regime will be revoked and replaced with a new recast regime as a result of the ongoing legislative reforms introduced under the "Edinburgh Reforms" of UK financial services unveiled on 9 December 2022 and the UK post-Brexit move to "A Smarter Regulatory Framework for financial services", the Financial Services and Markets Act 2020 regime, as amended by the Financial Services and Markets Act 2023 ("**FSMA 2023**"). The Securitisation Regulations 2024 Statutory Instrument ("**2024 UK SR SI**") provides that upon the repeal of the current UK Securitisation Regulation pursuant to FSMA 2023, the securitisation regulatory framework of the UK will be moved to a combination of 2024 UK SR SI and the regulator rulebooks of the FCA and Prudential Regulation Authority ("**PRA**"). On 30 April 2024, the FCA Policy Statement 24/4: Rules relating to securitisation and the PRA Policy Statement 7/24 — Securitisation: General requirements (together, the "**UK Regulator Rules**") were published.

The UK Regulator Rules are stated to be applicable from 1 November 2024 and, under the transitional provisions contained in them, the UK Regulator Rules will not apply to securitisation transactions that close before 1 November 2024, except in relation to the delegation of responsibility for compliance with due diligence obligations to alternative investment fund managers who are not authorised in the UK, which may be relevant for some investors. The implementation date of the UK Regulator Rules accords with the draft Securitisation (Amendment) Regulations 2024 (the "**UK Draft Amending SI**") laid before both Houses of Parliament on 22 April 2024, which contemplates the repeal of the UK Securitisation Regulation commencing on 1 November 2024. As with the UK Regulator Rules, the due diligence rules for occupational pension schemes contained in the UK Draft Amending SI are not expected to apply to investments in the Notes due to the savings provisions the UK Draft Amending SI proposes to insert as regulation 52A of 2024 UK SR SI.

While the UK Securitisation Regulation reforms propose some alignment with the EU regime, these reforms also introduce new points of divergence and the risk of further divergence between EU and UK regimes cannot be ruled out in the longer term as it is not known at this stage how the ongoing reforms or any future reforms will be finalised and implemented in the UK or the EU.

Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules of their regulators), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes.

Investors are themselves responsible for monitoring and assessing any changes to UK and EU securitisation laws and regulations. Without limitation to the foregoing, no assurance can be given that the Securitisation Regulations, or the interpretation or application thereof, will not change, and, if any such change is effected, whether such change would directly or indirectly affect current or future investors in the Notes.

EU/UK Risk Retention Requirements

The "originator" definition which applies for the purposes of the Risk Retention Requirements is not entirely clear and the EU authorities had expressed concerns in the past with certain possible interpretations of the definition. In its report dated 22 December 2014, the EBA recommended that the definition of originator should be narrowed in order to avoid potential abuses. In response, the EU Securitisation Regulation included provisions intended to put into effect the recommendation made in the EBA report. Article 6(1) of the EU Securitisation Regulation and the UK Securitisation Regulation indicates that an entity shall not be considered to be an originator for retention purposes where it has been "established or operates for the sole purpose of securitising exposures".

The implementation of the risk retention requirements under the EU Securitisation Regulation is subject to the EU recast risk retention regulatory technical standards set out in European Commission Delegated Regulation (EU) 2023/2175 (the "**EU Recast Risk Retention RTS**"), which entered into force on 7 November 2023 and applies to all existing and new securitisations in-scope of the EU Securitisation Regulation.

Pursuant to Article 43(7) of the UK Securitisation Regulation, the interpretation of the UK risk retention rules is currently subject to the application of the transitional provisions, whereby Chapters I, II and III and Article 22 of Commission Delegated Regulation (EU) 625/2014 as it forms part of UK law by virtue of the EUWA continues to apply until the UK Regulator Rules become applicable.

The guidance set out in the UK Regulator Rules is similar, but not identical, to the EU Recast Risk Retention RTS.

No assurance can be given that the EU Recast Risk Retention RTS and/or the UK Regulator Rules will not be further changed in the future, or that there will not be some views expressed by the EU or national supervisors as to how the "sole purpose" test should be interpreted in practice in certain circumstances, which views may or may not reflect the conclusions reached by the industry.

Japanese Risk Retention Requirements

In 2019, the Japanese Financial Services Agency (the "**JFSA**") implemented a risk retention rule as part of the regulatory capital regulation of certain categories of Japanese investors seeking to invest in securitisation transactions (the "**JRR Rule**"). The JRR Rule mandates an "indirect" risk retention compliance requirement, meaning that certain categories of Japanese investors will be required to apply higher risk weighting to securitisation exposures they hold unless such investor can conclude (on the basis of appropriate due diligence) either that the applicable "originator" (as defined in the JRR Rule) holds a retention piece of at least 5 per cent. of the total exposure of the underlying assets in the securitisation transaction (the "**Japanese Retention Requirement**") or that the underlying assets were not "inappropriately originated". The Japanese investors to which the JRR Rule applies include banks, bank holding companies, credit unions (*shinyo kinko*), credit co-operatives (*shinyo kumiai*), labour credit unions (*rodo kinko*), agricultural credit co-operatives (*nogyo kyodo kumiai*), ultimate parent companies of large securities companies and certain other financial institutions regulated in Japan (such investors, "**Japanese Affected Investors**"). Such Japanese Affected Investors may be subject to punitive capital requirements and/or other regulatory penalties with respect to investments in securitisations that fail to comply with the JRR Rule.

The JRR Rule applies to any investment in the Notes by a Japanese Affected Investor. No official English language translation of the JRR Rule has been made available as of the date hereof, and no assurances can be made as to the content, impact or interpretation of the JRR Rule and, in particular, it is unclear how 5 per cent. of the total exposure of the underlying assets is to be calculated for purposes of the JRR Rule, and what materials a Japanese Affected Investor may rely on to determine whether the underlying assets in a securitisation were not "inappropriately originated". Japanese Affected Investors may be unable or unwilling to conclude that the retention by the Retention Holder of a net economic interest in the transaction in accordance with the Risk Retention Letter satisfies the Japanese Retention Requirement or that the Infra Loan Obligations were not "inappropriately originated" by the Issuer. The JRR Rule or other similar requirements may deter Japanese Affected Investors from purchasing Notes or collateralised loan obligations generally, which may limit the liquidity of the Notes and adversely affect the price of the Notes in the secondary market. Whether and to what extent the JFSA may provide further clarification or interpretation as to the JRR Rule is unknown.

Each investor or potential investor in the Notes is itself responsible for monitoring and assessing any changes to Japanese risk retention laws and regulations, including any delegated or implementing legislation made pursuant to the JRR Rule, and for analysing its own regulatory position. Each investor or potential investor in the Notes is advised to consult with its own advisers regarding the suitability of the Notes for investment and the applicability of the JRR Rule and the Japanese Retention Requirement to this transaction. None of the Sponsor, the Collateral Manager, the Collateral Manager Related Parties, the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, the Transaction Administrator or any of their respective Affiliates makes any representation or agreement regarding compliance with the JRR Rule or the consequences of the JRR Rule for any Japanese Affected Investor or any other Person, including whether any Infra Loan Obligation was or was not "inappropriately originated" and whether the Retention Holder's obligations under the Risk Retention Letter satisfy the Japanese Retention Requirement. None of the Sponsor, the Collateral Manager, any Collateral Manager Related Party, the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, the Transaction Administrator or any of their respective Affiliates intends to take any steps to comply (or facilitate compliance by any Person, including any Japanese Affected Investor) with the JRR Rule or makes any representation, warranty or agreement regarding compliance with the JRR Rule or the consequences of the JRR Rule for any Person.

Volcker Rule

Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act added a new Section 13 to the Bank Holding Company Act of 1956 (together with the final rules and regulations promulgated thereunder, the "**Volcker Rule**"). The Volcker Rule generally prohibits "banking entities" (which are broadly defined to include US banks, bank holding companies and foreign banking organisations, together with their respective subsidiaries and other affiliates) from engaging in proprietary trading, acquiring or retaining an "ownership interest" in, or sponsoring or entering into certain relationships with, certain private funds (referred to as "**covered funds**"), subject to certain exemptions and exclusions. The Volcker Rule also provides for certain supervised non-bank financial companies that engage in such activities or have such interests or relationships to be subject to additional capital requirements, quantitative limits or other restrictions.

The Volcker Rule contains limited exceptions and exclusions, including an exclusion from the definition of "covered fund" for certain loan securitizations, which is commonly referred to as the "loan securitization exclusion". The loan securitization exclusion generally applies to an issuer of asset-backed securities, the assets of which consist solely of loans, assets or rights designed to assure the servicing or timely distribution of proceeds to holders or other assets that are related or incidental to purchasing or otherwise acquiring and holding the loans (collectively, "**servicing assets**"), certain interest rate and foreign exchange derivatives used for hedging purposes, and debt securities (other than asset-backed securities and convertible securities) provided that such debt securities do not exceed 5 per cent. of the total assets of the issuer. While an issuer relying on the loan securitization exclusion generally is not permitted to own securities other than as described above, an exception is provided for cash equivalent securities and securities acquired lieu of a debt previously contracted. The Issuer expects to qualify for the loan securitization exclusion.

Notwithstanding the foregoing, no assurance can be given, and there is no guarantee, that the Issuer will qualify for the loan securitization exclusion or for any other exclusion or exemption that might be available under the Volcker Rule. Moreover, the Conditions may be amended in order for the Issuer not to be a "covered fund" or the Notes not to constitute ownership interests or otherwise be exempt from the Volcker Rule. No assurance can be given as to the effect of the Volcker Rule on the ability of certain investors subject to the Volcker Rule to acquire or retain certain Classes of Notes, and affected investors should consult their own legal counsel. Depending on market conditions, this could significantly and negatively affect the liquidity and market value of the Notes.

In 2020, the Volcker Rule was substantially amended to, among other things, allow an issuer relying on the loan securitization exclusion to hold up to 5 per cent. of its assets in certain debt securities, as described above. In addition, these 2020 amendments to the Volcker Rule (i) exclude from the definition of "ownership interest" certain "senior loans" or "senior debt interests" issued by a covered fund, and (ii) clarify that the right to participate in the removal of a collateral manager following a cause event, or to participate in the replacement of the manager following a removal or a resignation of a collateral manager, would not be a feature that results in a banking entity having an ownership interest in a covered fund. Thus, the Volcker Rule now generally permits issuers relying on the loan securitization exclusion, including collateralised loan obligation ("**CLO**") issuers, to acquire bonds, securities and other assets that potentially would have been impermissible prior to the 2020 amendments. In addition, banking entities (x) that have an ownership interest in a covered fund deriving solely from their right to participate in the removal or replacement of a collateral manager following a cause event, or (y) investing in a Class of Notes meeting the definition of a "senior debt interest" under the Volcker Rule, do not have an ownership interest in a covered fund. It is unclear at this time whether any future amendments to the Volcker Rule regulations will be proposed or adopted, and what effect any such amendments may have on the Issuer, the Notes or the holders of any Class.

Despite the allowances the Volcker Rule makes for "loan securitizations" to hold a limited amount of debt securities without being considered a "covered fund", and the exclusions from the definition of "ownership interests" under the Volcker Rule discussed above, unless and until the Conditions are amended in accordance with the terms thereof, the Conditions would still not permit the Issuer to acquire debt securities or equity securities (unless such equity securities would be viewed as cash equivalent and/or received in lieu of a debt previously contracted). There can be no assurance that the Issuer would be able to effect such an amendment, which could adversely affect the value and liquidity of the Notes.

Recent regulatory interpretations by the United States Securities and Exchange Commission under Rule 15c2-11 of the United States Securities Exchange Act of 1934, as amended, may further restrict the ability of brokers and dealers to publish quotations on the Notes on any interdealer quotation system or other quotation medium after 3 January 2023.

In combination, the foregoing multiple risk factors may significantly increase a Noteholder's risk of loss

Although the various risks discussed in this Information Memorandum are generally described separately, potential investors should consider the potential effects of the interplay of multiple risk factors. Where more than one significant risk factor is present, the risk of loss to a Noteholder may be significantly increased. There are many circumstances in which layering of multiple risks with respect to the Portfolio and the Notes may magnify the effects of those risks. In considering the potential effects of layered risks, a potential investor should carefully review the description of the Portfolio and the Notes.

RISK RETENTION REQUIREMENTS

This section should be read in conjunction with the section entitled "*Risk Factors — Regulatory risks relating to the Notes — Securitisation Regulation Risk Retention and Due Diligence Requirements*" of this Information Memorandum.

On the Closing Date, the Retention Holder will enter into a letter addressed to the Issuer, the Sole Global Coordinator and the Joint Bookrunners (the "**Risk Retention Letter**"), pursuant to which the Retention Holder will, as an originator for the purposes of each Securitisation Regulation, agree, and will irrevocably and unconditionally undertake, that, on an ongoing basis, so long as any Notes remain outstanding:

(a) it will retain on an ongoing basis a material net economic interest in the securitisation described in this Information Memorandum comprises the Subordinated Notes in an amount not less than five (5) per cent. of the Principal Balance of the Infra Loan Obligations in accordance with Article 6(3)(d) of each Securitisation Regulation (as in effect as of the Closing Date) (the "**Retained Interest**");

(b) it will not change the manner or form in which it retains the Retained Interest, except as permitted under the Risk Retention Requirements (as in effect at the relevant time);

(c) it will not transfer, sell, hedge or otherwise mitigate its credit risk, or otherwise surrender all or part of the rights, benefits or obligations, arising from or associated with the Retained Interest, except to the extent permitted in accordance with the Risk Retention Requirements (as in effect at the relevant time);

(d) subject to any regulatory requirements, it will provide to the Issuer, on a confidential basis on reasonable request of the Issuer, information in the possession of the Retention Holder relating to its holding of the Retained Interest, at the cost and expense of the Issuer, and to the extent such information is not subject to a duty of confidentiality at any time prior to the Maturity Date;

(e) it will confirm in writing:

  (i) promptly upon the reasonable written request of the Issuer, the Sole Global Coordinator and any Joint Bookrunners, in each case, to such party making such request; and

  (ii) to the Transaction Administrator on or around each Measurement Date as at which any Quarterly Report or any Payment Date Report is prepared, for the purposes of inclusion of such confirmation in the relevant Quarterly Report or Payment Date Report, its continued compliance with the covenants set out at paragraphs (a) and (c) above;

(f) undertakes and agrees that in relation to every Infra Loan Obligation it sells or transfers to the Issuer, that:

  (i) it purchased, or will purchase, such obligation for its own account prior to selling or transferring such obligation to the Issuer; or

  (ii) either itself and/or through related entities, directly or indirectly, was involved or will be involved, in the original agreement which created or will create such obligation;

(g) agrees that it shall promptly notify the Issuer, the Sole Global Coordinator, the Joint Bookrunners and the Transaction Administrator in writing if for any reason it:

(i) ceases to hold the Retained Interest in accordance with paragraph (a) above; or

(ii) fails to comply with the agreements and covenants (as applicable) set out in paragraph (b), (c) or (f) above in any material way; and

(h) agrees that it, in its capacity as collateral manager only, shall, on behalf of the Issuer, use reasonable endeavours to make available to the Noteholders and potential investors such information as is required to be made available on an ongoing basis pursuant to (i) Articles 7(1)(a), (e), (f) and (g) of the EU Securitisation Regulation and (ii) Articles 7(1)(a), (e), (f) and (g) of the UK Securitisation Regulation.

Each potential investor in the Notes that is subject to the any Due Diligence Requirements (or to any equivalent or similar requirements) should consult with its own legal, accounting and other advisers and/or its national regulator to determine whether, and to what extent, any representations and agreements to be made under the Risk Retention Letter, and any other information set out in this Information Memorandum generally and, after the Closing Date, the information described in the Quarterly Reports and the Payment Date Reports are or is sufficient for the purpose of complying with the Due Diligence Requirements (or any equivalent or similar requirements). Any such prospective investor is required to independently assess and determine the sufficiency of such representations, agreements and other information.

None of the Issuer, the Retention Holder, HKMC (in each of its capacities in connection with the Notes), the Collateral Manager, any Collateral Manager Related Party, the Transaction Administrator, the Sole Global Coordinator, the Joint Bookrunners, the Trustee or any other party to the transactions contemplated by this Information Memorandum, or any of their respective Affiliates: (i) makes any representation, warranty or guarantee that any such representations and agreements, or any such other information described in this Information Memorandum or, after the Closing Date, any information described in the Quarterly Reports and the Payment Date Reports are or is, or will be, sufficient in all circumstances for the purpose of allowing any person to comply with the Due Diligence Requirements or any other applicable legal, regulatory or other requirements; (ii) shall have any liability to any prospective investor or any other person with respect to any insufficiency of such information or any failure of the transactions contemplated hereby to comply with, or otherwise satisfy the requirements of, any Due Diligence Requirements, or any other applicable legal, regulatory or other requirements; or (iii) shall have any obligation with respect to any Due Diligence Requirements, other than the specific obligations undertaken and/or representations made by the Retention Holder under the Risk Retention Letter.

USE OF PROCEEDS

The gross proceeds from the issue of the Notes are US$423.3 million.

The net proceeds from the issue of the Notes, after paying the acquisition price for a portion of the Portfolio which was not acquired by the Issuer before the Closing Date with the proceeds made available pursuant to the Warehouse Sponsor Loan Deed to the Sponsor on the Closing Date in accordance with the Sponsor Collateral Acquisition Agreements and repaying all of the amounts then due and payable by the Issuer under the Warehouse Sponsor Loan Deed (excluding, for the avoidance of doubt, any Deferred IPA Interest and Deferred IPA Income) and making a deposit equal to the Undrawn Commitment Amount in the Undrawn Commitment Account, will be credited to the Interest Account.

The Issuer shall apply an amount equal to the proceeds of the Class A1-SU Notes it receives towards payment or refinancing of the acquisition price of the Class A1-SU Eligible Loans.

The Sponsor and the Collateral Manager will separately procure the payment of fees and expenses incurred in connection with the issue and offering of the Notes.

FORM OF THE NOTES

References below to Notes and to the Global Certificates and the Definitive Certificates representing such Notes are to each respective Class of Notes, except as otherwise indicated.

Initial Issue of Notes

The Notes of each Class will be represented on issue by a Global Certificate deposited with, and registered in the name of, a nominee of a common depository for Euroclear and Clearstream. Beneficial interests in a Global Certificate may be held at any time only through Euroclear and Clearstream. See the section entitled "*Summary of Provisions Relating to the Notes in Global Form*" in this Information Memorandum. Beneficial interests in a Global Certificate may not be held by a US Person or US resident at any time. By acquisition of a beneficial interest in a Global Certificate, the purchaser thereof will be deemed to represent, among other things, that it is not a US Person, and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest only to a person whom the seller reasonably believes to be a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S. See the section entitled "*Transfer Restrictions*" in this Information Memorandum.

Transfer

Beneficial interests in Global Certificates will be subject to certain restrictions on transfer set forth therein and in the Trust Deed and the Agency and Account Bank Agreement, and the Notes will bear the applicable legends regarding the restrictions set forth under "*Transfer Restrictions*".

Except in the limited circumstances described below, owners of beneficial interests in Global Certificates will not be entitled to receive physical delivery of certificated Notes.

Bearer Notes

The Notes are not issuable in bearer form.

Exchange for Definitive Certificates

Exchange

Each Global Certificate will be exchangeable, free of charge to the Noteholder, on or after its Definitive Exchange Date (as defined below), in whole but not in part, for Definitive Certificates if a Global Certificate is held (directly or indirectly) on behalf of Euroclear, Clearstream or an alternative clearing system and any such clearing system is closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or announces its intention to permanently cease business, or does in fact do so.

The Registrar will not register the transfer of, or exchange of interests in, a Global Certificate for Definitive Certificates during the period from (but excluding) the Record Date to (and including) the date for any payment of principal or interest in respect of the Notes.

If only one of the Global Certificates (the "**Exchanged Global Certificate**") becomes exchangeable for Definitive Certificates in accordance with the above paragraphs, transfers of Notes may not take place between, on the one hand, persons holding Definitive Certificates issued in exchange for beneficial interests in the Exchanged Global Certificate and, on the other hand, persons wishing to purchase beneficial interests in the other Global Certificate.

"**Definitive Exchange Date**" means a day falling not less than 30 calendar days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Registrar and any Transfer Agent is located.

Delivery

If a Global Certificate is to be exchanged, the relevant Global Certificate shall be exchanged in full for Definitive Certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar or any relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Definitive Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Global Certificate must provide the Registrar with a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Certificates as set out under "*Transfer Restrictions*" below.

RATINGS OF THE NOTES

It is expected that the Notes will, when issued, be assigned the following credit ratings from Moody's:

Class	Ratings (Moody's)
Class A1-SU Notes	Aaa (sf)
Class A1 Notes	Aaa (sf)
Class B Notes	Aa1 (sf)
Class C Notes	A2 (sf)
Class D Notes	Baa3 (sf)
Subordinated Notes	Unrated

The abbreviated suffix "sf" in the expected credit ratings of the Rated Notes refers to "structured finance".

The ratings assigned to the Class A Notes and the Class B Notes address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the other Rated Notes address the ultimate payment of principal and interest.

A security rating is not a recommendation to buy, sell or hold securities, and may be subject to revision, suspension or withdrawal at any time by the rating agency.

As at the date of this Information Memorandum, the Rating Agency is not established in the European Union or the United Kingdom but rather is incorporated in Hong Kong. Consequently, the Rating Agency is not required to be registered under the UK CRA Regulation or the EU CRA Regulation. However, international credit ratings provided by the Rating Agency are endorsed by Moody's Deutschland GmbH (established in Germany) which is registered by the European Securities and Markets Association pursuant to the EU CRA Regulation and by Moody's Investors Service Limited (established in the United Kingdom), which is registered under the UK CRA Regulation.

The credit ratings assigned to the Notes are statements of opinion and are not a recommendation to invest in, purchase, hold or sell the Notes, and potential investors should perform their own evaluation as to whether the investment is appropriate.

Credit ratings are subject to revision, suspension or withdrawal at any time by the assigning rating agency. Rating agencies may also revise or replace entirely the methodology applied to assign credit ratings. There can also be no assurance that any ratings assigned to the Notes will remain in effect for any given period or that the ratings will not be revised by the ratings agencies in the future if, in their judgment, circumstances so warrant.

See the section entitled "*Risk Factors — Risks relating to the Notes and the Collateral — Ratings of the Notes are not recommendations to purchase and future events may impact any ratings of the Notes and impact the market value of or liquidity in the Notes; ratings of the Notes are not assured and are limited in scope*" of this Information Memorandum for more details on credit ratings assigned to the Notes.

Moody's Ratings

The ratings assigned to the Rated Notes by Moody's are based upon its assessment of the probability that the Infra Loan Obligations will provide sufficient funds to pay each such Class of Notes, based largely upon Moody's statistical analysis of historical default rates on debt obligations with various ratings, the asset and interest coverage required for such Class of Rated Notes (which in the case of a Class of Rated Notes is achieved through the subordination of each Class of Notes ranking below such Class of Rated Notes) and the diversification requirements that the Infra Loan Obligations are required to satisfy.

Moody's ratings address the expected loss posed to investors by the legal final maturity on the Maturity Date. The structure allows for timely payment of interest and ultimate payment of principal with respect to the Class A Notes and the Class B Notes by the legal final maturity on the Maturity Date.

Moody's analysis of the likelihood that each Infra Loan Obligation will default is based on historical default rates for similar loans, the historical volatility of such default rates (which increases as securities with lower ratings are added to the portfolio) and an additional default assumption to account for future fluctuations in defaults. Moody's then determines the level of credit protection necessary to achieve the expected loss associated with the rating of the structured securities, taking into account the expected volatility of the default rate of the portfolio based on the level of diversification by region, obligor and industry. There can be no assurance that the actual default rates on the Infra Loan Obligations held by the Issuer will not exceed the rates assumed by Moody's in its analysis.

In addition to these quantitative tests, Moody's ratings take into account qualitative features of a transaction, including the experience of the Collateral Manager, the legal structure and the risks associated with such structure and other factors that they deem relevant.

DESCRIPTION OF THE ISSUER

General

The Issuer, Bauhinia ILBS 2 Limited, was incorporated on 29 April 2024 as a public company limited by shares under the Companies Ordinance of Hong Kong (business registration number 76495803).

The Issuer is incorporated as a special purpose vehicle and was established to raise capital by the issue of the Notes. Apart from issuing the Notes, the Issuer holds the Portfolio.

The principal place of business of the Issuer is at 3806 Central Plaza, 18 Harbour Road, Wanchai, Hong Kong. The LEI number of the Issuer is 254900VG4GFEAM9F1F86.

Share Capital

The issued and paid-up share capital of the Issuer as at the date of this Information Memorandum is HK$1, comprising one ordinary share of HK$1. The share in the Issuer is held by Infiniti Trust (Hong Kong) Limited on trust for charitable, benevolent or philanthropic purposes.

Business Activity

Prior to the Closing Date, in order to acquire the Pre-funded ILOs on or before the Closing Date, the Issuer entered into the (i) Warehouse Sponsor Loan Deed, (ii) Warehouse Security Deed, (iii) an interim account bank agreement between the Issuer and the Account Bank as the interim account bank to open a bank account to hold monies paid and received in connection with the Warehouse Sponsor Loans and Pre-funded ILOs, and (iv) certain agreements or documents (including deeds) necessary or desirable in relation to the acquisition of the Pre-funded ILOs (all such documents, the "**Warehouse Documents**").

The Issuer has not previously carried on any business or activities other than those incidental to its incorporation, the authorisation and issue of the Notes, the Warehouse Documents and the activities and transactions contemplated thereunder, the Deed of Termination and Release, and activities incidental to the exercise of its rights and compliance with its obligations under the Sponsor Collateral Acquisition Agreements, the Notes, the Subscription Agreement, the Agency and Account Bank Agreement, the Trust Deed, the Hong Kong Security Deed, the Closing Sponsor Loans Agreement, the Collateral Management and Administration Agreement, the Corporate Services Agreement and the other documents and agreements entered into in connection with the issue of the Notes and the purchase of the Portfolio.

Restrictions on Activities

Under the Trust Deed, the Issuer has undertaken not to carry out any business other than the issue of the Notes and acquiring, holding and disposing of the Portfolio in accordance with the Conditions and the Collateral Management and Administration Agreement, entering into the Warehouse Documents and the Deed of Termination and Release, entering into the Transaction Documents and exercising the rights and performing the obligations under each such agreement and all other transactions incidental thereto. The Issuer will not have any substantial liabilities other than in connection with the Rated Notes, the Subordinated Notes and any secured obligations. The Issuer will not have any subsidiaries, and it will not issue any shares (other than the shares that are in issue as at the Closing Date), nor will it redeem or purchase any of its issued share capital.

The Issuer has, and will have, no material assets other than the Portfolio held from time to time, the Balances standing to the credit of the Accounts and the benefit of the Transaction Documents entered into by it or on its behalf from time to time, such fees (as agreed) payable to it in connection with the issue of the Notes.

Directors and Company Secretary

As at the date of this Information Memorandum, the directors of the Issuer are ABBOTT, Giles David Cameron, HUANG, Meng and YU, Wing Sum.

Name	Position	Business Address
ABBOTT, Giles David Cameron . . .	Director	3806 Central Plaza, 18 Harbour Road, Wanchai, Hong Kong
HUANG, Meng	Director	3806 Central Plaza, 18 Harbour Road, Wanchai, Hong Kong
YU, Wing Sum	Director	3806 Central Plaza, 18 Harbour Road, Wanchai, Hong Kong

The company secretary of the Issuer is YU, Wing Sum.

As at the date of this Information Memorandum, the Issuer has no employees, non-executive directors or premises.

No potential conflicts of interest exist between any duties owed to the Issuer by the Directors listed above, and their private interests or other duties.

Corporate Services Agreement

The Issuer has appointed the Corporate Service Providers to provide corporate secretarial services pursuant to the Corporate Services Agreement. Either party may terminate the Corporate Services Agreement by giving not less than three months' prior written notice to the other party.

The register of members is maintained by Intertrust Secretaries (Hong Kong) Limited, and a copy of the register of members is kept by the company secretary of the Issuer at the registered office of the Issuer.

Fiscal Year

The Issuer's financial year begins on 1 January and closes on 31 December of each year.

Auditors

Audited financial statements will be published on an annual basis. The independent auditor of the Issuer will be one of Deloitte, Ernst & Young, KPMG or PricewaterhouseCoopers.

Financial Information

The Issuer maintains its financial books and records and prepares its financial statements in Hong Kong dollars in accordance with the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (the "**Companies Ordinance**"). Unless otherwise specified, where financial information in relation to the Issuer has been translated into US dollars, it has been so translated, for the convenience of the reader, at an exchange rate of HK$7.8 = US$1.00. No representation is made that Hong Kong dollars have been, could have been, or could be, converted into US dollars at the rate indicated or at any other rate.

DESCRIPTION OF THE SPONSOR AND THE COLLATERAL MANAGER

The Issuer has correctly in all material aspects reproduced the information contained in the section entitled "Description of the Sponsor and the Collateral Manager" from information provided to it by the Sponsor and the Collateral Manager, but it has not independently verified such information. So far as the Issuer is aware and is able to ascertain from information published by the Sponsor and the Collateral Manager, no facts have been omitted which would render the reproduced information incorrect or misleading in any material aspect. The information appearing in this section has been prepared by the Sponsor and the Collateral Manager and has not been independently verified by the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Trustee or any other party. None of the Sole Global Coordinator, the Joint Bookrunners, the Trustee or any other party other than the Sponsor and the Collateral Manager assumes any responsibility for the correctness or completeness of such information. The delivery of this Information Memorandum will not create any implication that there has been no change in the affairs of the Sponsor and the Collateral Manager since the date of this Information Memorandum, or that the information contained or referred to in this section is correct as of any time subsequent to the date of this Information Memorandum.

History and Corporate Structure

The Sponsor was incorporated in March 1997 as a public company with limited liability under the Companies Ordinance. The Sponsor is wholly owned by the Hong Kong Government through the Exchange Fund, a fund under the control of the Financial Secretary as provided under the Exchange Fund Ordinance (Chapter 66 of the Laws of Hong Kong).

For the purpose of implementing the HKMC Annuity Plan and in compliance with the requirements of the Insurance Authority of Hong Kong, the Sponsor in 2017 underwent a corporate reorganisation and established two wholly-owned subsidiaries, HKMC Insurance Limited ("**HKMCI**") and HKMC Annuity Limited ("**HKMCA**") to take up the Sponsor's general insurance business (including the Mortgage Insurance Programme (the "**MIP**"), the Reverse Mortgage Programme (the "**RMP**"), the Policy Reverse Mortgage Programme (the "**PRMP**") and the SME Financing Guarantee Scheme (the "**SFGS**")) and to operate the HKMC Annuity Plan respectively.

Relationship with Principal Subsidiaries

HKMCI

HKMCI, a wholly-owned subsidiary of the Sponsor, was incorporated in June 2017. HKMCI is an "authorized insurer" under the Insurance Ordinance (Chapter 41 of the Laws of Hong Kong) ("**Insurance Ordinance**") carrying on general insurance business, including the MIP, the RMP, the PRMP and the SFGS.

HKMCA

HKMCA, a wholly-owned subsidiary of the Sponsor, was incorporated in June 2017. HKMCA is an "authorized insurer" under the Insurance Ordinance carrying on long term insurance business, namely the HKMC Annuity Plan.

Relationship with the Hong Kong Government

The Sponsor is wholly-owned by the Hong Kong Government through the Exchange Fund. The Financial Secretary currently serves as the Chairman of the Sponsor and the Chief Executive of the Hong Kong Monetary Authority ("**HKMA**") is the Deputy Chairman of the Sponsor. The posts of Executive Directors and Chief Executive Officer ("**CEO**") of the Sponsor are occupied by the Financial Secretary or officials of the HKMA.

The Hong Kong Government, through the Exchange Fund, provides the Sponsor with a revolving credit facility ("**RCF**") of HK$80 billion as a contingency liquidity tool, of which the facility amount was increased in October 2020 from HK$30 billion. Such move demonstrates the Hong Kong Government's recognition of the importance of, and its commitment to provide further support to, the Sponsor. In addition to the RCF, the Sponsor is entitled to call upon its shareholder for the injection of additional capital of up to HK$1 billion through the Exchange Fund (if and when needed) pursuant to an arrangement agreed by the shareholder.

Missions

The missions of the Group are to promote the following in Hong Kong:

- stability of the banking sector;
- wider home ownership;
- development of the local debt market; and
- development of retirement planning market.

Business Strategies and Principal Business Activities of the Group

The Group adopts the following business strategies to conduct its following principal business activities in a prudent commercial manner:

- fulfil its strategic roles by reinforcing its business focus in Hong Kong;
- purchase loan assets, acquire, debentures, receivables, financial assets from various sources such as banks, the Hong Kong Government and related organisations, statutory bodies, public bodies (including their affiliated credit unions) and other sellers ("**Approved Sellers**" and, if also appointed by the Sponsor to provide servicing and other administrative functions in respect of the Sponsor's acquired loan portfolio, "**Approved Servicers**") from time to time approved by its board of directors ("**Board of Directors**" or "**Board**");
- issue debt securities to investors;
- purchase residential mortgage loans indexed on fixed adjustable rate and various floating rates such as the Prime Rate, HIBOR (for various reference periods) and the composite interest rate via its Mortgage Purchase Programme;
- provide mortgage insurance cover to participating "authorized institutions" (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) ("**AIs**") in respect of homebuyers' mortgage loans and the elderly's reverse mortgage loans secured on residential properties or life insurance policies via MIP, RMP and PRMP of HKMCI;
- offer fixed-rate mortgages to homebuyers through participating AIs via its Fixed Rate Mortgage Scheme;
- offer life annuity products to the elderly via the HKMC Annuity Plan of HKMCA;

- purchase and co-finance infrastructure loans, and securitise the loans at appropriate market conditions after accumulating a diversified asset portfolio via its IFS business;

- reinforce delivery of strategic policy roles through the establishment and enhancements of various schemes and programmes, including the time-limited 80 per cent. guarantee product, the 90 per cent. guarantee product, and the special 100 per cent. loan guarantee product ("**Special 100% SFGS**"), the Dedicated 100% Loan Guarantee Scheme and the 100% Personal Loan Guarantee Scheme to provide low-cost financing to eligible small and medium enterprises, individuals and industries facing financial difficulties; and

- adopt sustainability and environmental, social and governance ("**ESG**") strategies in its major funding, investment, business and operational activities based on international standard and market practice.

Financial Position of the Group

For the year ended 31 December 2023, the audited loss after tax of the Group amounted to HK$259.5 million. The accounting loss was primarily attributable to (a) the increase in insurance contract liabilities for the annuity business driven by the reduced discount rates reflecting the relatively lower market interest rates at the end of the year as compared to that of the previous year; and (b) the negative impact of property price drop on the reverse mortgage insurance business. Such losses were partly mitigated by the favourable return from the placements with the Exchange Fund and the increase in amortisation of unearned profits from the accumulative mortgage insurance business. As at 31 December 2023, total assets and total liabilities of the Group amounted to HK$219.3 billion and HK$192.2 billion, respectively.

IFS Business of the Sponsor

The infrastructure loan asset acquisition and securitisation businesses are conducted by the Sponsor as one of its principal business activities through its IFS Division.

In 2019, the Sponsor established its IFS business to acquire infrastructure loans from banks, as well as co-financing infrastructure projects with multilateral development banks and commercial banks, with a view to, ultimately, distributing ILBS to institutional investors in the capital markets. The primary focus of the IFS business in respect of its infrastructure loan acquisition activities is senior debt of greenfield and brownfield projects, covering a variety of infrastructure assets such as gas and oil infrastructure, power (conventional and renewable), electricity distribution/transmission, energy shipping, social infrastructure, telecommunication, transportation, water desalination, and ports.

In respect of the securitisation of infrastructure loans acquired and warehoused by the Sponsor, the Sponsor structures and manages the issuance of ILBS to institutional investors in the capital markets, through which the Sponsors aims to:

- further its mandate to promote the development of the local debt market and stability of the banking sector in Hong Kong;

- fill the gap in the infrastructure financing market to facilitate infrastructure investment and financing flow; and

- help consolidate Hong Kong's position as an infrastructure financing hub and to benefit its financial and professional services sectors.

In March 2019, the Sponsor entered into a Master Cooperation Agreement with the International Finance Corporation ("**IFC**") to promote infrastructure financing and to streamline the steps taken when the Sponsor and IFC co-finance infrastructure projects by standardising the investment process and documentation. In April 2019, the Sponsor also entered into a memorandum of understanding ("**MoU**") with China Export & Credit Insurance Corporation to strengthen cooperation in multiple areas including collaborating on infrastructure project financing and exchanging experience and best practices in infrastructure financing transactions.

The Sponsor also entered into MoUs with banks to strengthen its network and business operation with other participants of the infrastructure financing market. In January 2021, the Sponsor entered into an MoU with MUFG Bank, Ltd. to establish an infrastructure loan sales framework. Subsequently in 2021 and 2022, the Sponsor entered into additional MoUs with other banks to establish infrastructure loan sales framework. As at the date of this Information Memorandum, the Sponsor had established infrastructure loan sales framework with 20 banks.

As at the date of this Information Memorandum, the Sponsor had acquired over 100 infrastructure loan assets (which in turn finance over 60 infrastructure projects) with commitments amounting to approximately US$2.0 billion.

Investment and credit review process

The Sponsor has implemented an investment and credit review process for its IFS business comparable to those commonly adopted by international financial institutions and comprises the following:

Deal screening and due diligence

The Sponsor had established eligible investment criteria for its infrastructure loan assets based on prudent commercial principles. In respect of any potential investment opportunity, the investment team, the risk management team and the ESG team of the IFS Division will conduct due diligence, including a detailed review on the underlying project and financing documentation, information memorandum, due diligence reports, financial models and up-to-date project performance reports on such investment opportunity to ensure the eligible investment criteria for new investments, including the IFS Environmental and Social Guidelines ("**IFS E&SG**"), the Responsible Investment, Lending and Business Decision-making Principles of the Group, as well as the overall risk management framework of the Sponsor, are satisfied. The IFS E&SG includes and stipulates the Environmental and Social Categorisation Checklist, Physical Risk Assessment Checklist, Transition Risk Assessment Checklist (collectively "**Climate Risk Assessment Checklist**"), Sector Guidelines, and the IFS Environmental and Social Exclusion List ("**IFS E&S Exclusion List**") which provides a list of the projects and activities that the Sponsor will not knowingly finance or invest in.

As part of the deal screening process for potential investment opportunities, the Sponsor will conduct initial screening on key counterparties of the potential investment to identify early in its due diligence process whether there are any "red flags" with regard to the relevant counterparties, including but not limited to issues relating to anti-corruption and bribery, anti-money laundering, counter-terrorist financing and sanctions as well as reputation risks, in according with the IFS Compliance Guidelines ("**IFS CG**"). If no areas of material compliance concern relating to the underlying project has been identified based on the available information, a preliminary compliance clearance notice will be issued by the Compliance Function of the Sponsor ("**CF**") before a detailed due diligence is conducted by the investment team, the ESG team and the risk management team of the IFS Division as well as CF. The preliminary compliance clearance may specify particular areas of due diligence to clarify compliance matters on the project or the parties.

The Sponsor also conducts legal due diligence in relation to the transferability, confidentiality requirements, tax gross-up obligations, security and other potential credit enhancements that may be

available for the relevant infrastructure loan assets of the potential investments. In addition, where the potential investment is located in any jurisdiction which is new to the Sponsor's infrastructure loan portfolio, the Sponsor conducts further due diligence with respect to the local legal requirements of such jurisdiction relevant to the Sponsor or a foreign lender or holder of security interest with an aim to ensure the legality and transferability of the infrastructure loan assets to be acquired.

Pre-deal and investment approval

The investment approval process for investments of the IFS business of the Sponsor is a two-layered process, comprising a pre-deal approval stage and an investment approval stage. For potential investment opportunities which satisfy the eligible investment criteria for infrastructure loan assets, before detailed due diligence is conducted on the potential investment, a pre-deal approval will be sought from the IFSIC (see the section entitled "*Description of the Sponsor and the Collateral Manager — Risk Management — IFSIC*" of this Information Memorandum). The IFSIC may, as part of its pre-deal approval, request the IFS Division to address specific aspects of, or risks relating to, the potential investment in the detailed due diligence to present findings and/or propose mitigants to address such risks, formally in the form of an investment memorandum which will contain the term sheet relating to the potential investment, recommendations made by the investment team, the ESG team and the risk management team of the IFS Division, the transaction compliance risk assessment and the proposed credit and recovery rating of the transaction. Detailed due diligence work and results (including further compliance screening based on further information requested and received) are reported in the investment memorandum which is submitted to the IFSIC for consideration and approval. Upon receiving approval from the IFSIC in the investment approval stage, the investment team of the IFS Division will proceed further with the transaction negotiation, outstanding or additional due diligence and finalisation before executing the transaction documents with the relevant sellers or obligors of the infrastructure loan assets, fulfil any approval conditions as may be set out by the IFSIC in the investment approval stage, and complete the potential investment transaction.

Portfolio management, governance and risk monitoring

All infrastructure loan assets acquired by the Sponsor will be warehoused and managed by the portfolio management team of the IFS Division. All infrastructure loan assets in the Portfolio must have passed all stages of the pre-deal and investment approvals before they are included in the Portfolio as Infra Loan Obligations, and the reinvestment of Infra Loan Obligations in the Portfolio from the Sponsor's portfolio of infrastructure loan assets will follow the same investment and credit assessment process. The risk management team of the IFS Division is responsible for the ongoing monitoring of the Sponsor's portfolio of infrastructure loan assets, exposure management through divestment or other risk sharing arrangement in accordance with the Sponsor's internal risk management and compliance guidelines for the IFS business, including the IFS Risk Management Guidelines ("**IFS RMG**"), the IFS Risk Management Rules ("**IFS RMR**") and the IFS E&SG.

IFS E&SG

The IFS E&SG sets out the basis on which environmental and social ("**E&S**") risks of infrastructure loan assets in the Sponsor's portfolio are assessed.

The IFS E&SG is comparable to those commonly adopted by international financial institutions and the objectives of the IFS E&SG are to:

- set out internal responsibilities and procedures on E&S due diligence for any potential investment in infrastructure loan assets;

- establish a structured approach to monitor and record borrowers' ESG performances; and

- ensure that the E&S risk management processes of the Sponsor's IFS business is aligned with industry practices and those adopted by other market players.

Besides the IFS E&S Exclusion List, the IFS E&SG also includes and stipulates an E&S Categorisation Checklist. Projects that are categorised with higher E&S risks are subject to a higher level of scrutiny.

The Sponsor reviews all infrastructure loan assets in the Sponsor's portfolio that are within the scope of the Equator Principles ("**Equator Principles**"), a financial industry benchmark for determining, assessing and managing E&S risks in projects, which as at the date of this Information Memorandum can be found at: Home Page — Equator Principles Association (equator-principles.com), so as to adopt the Equator Principles to the extent practicable. The Sponsor acquired the infrastructure loan assets that are within the scope of the Equator Principles mainly from international financial institutions which have adopted the Equator Principles. For co-financing transactions supported by export credit agencies, the Sponsor leverages on the safeguards adopted by these institutions to ensure rigor in the process. For infrastructure loan assets not within the scope of the Equator Principles (e.g. loans that are not specific to an infrastructure project or asset financing that is not part of an underlying project financing, such as vessels), the investment team of the IFS Division will ensure compliance with the Sponsor's investment eligibility criteria by conducting due diligence based on review of secondary information, and discussions with, and information provided by, the relevant agent banks, sellers or obligors of the infrastructure loan assets, which may include the E&S management system, E&S compliance and liabilities, and labour standards of the relevant obligor, to ensure there are no material E&S concerns and the relevant obligors of such infrastructure loan assets adopt E&S standards that are consistent with market standard.

In addition, the Sponsor has incorporated climate risk assessment to assess the physical risk and transition risk of the infrastructure loan assets:

- Physical risk: Different emission scenarios and time horizons are adopted in the stress test on the infrastructure loan assets for their exposure to climate hazards, which include coastal flood, riverine flood, cyclone, landslide, wildfire and extreme heat.

- Transition risk: Under different emission scenarios and time horizons, the infrastructure loan assets are assessed for their exposure to transition risks under different factors, including sector, regulatory, technology, market and reputation.

IFS CG

The Sponsor had also established the IFS CG as the compliance guidelines specifically for its IFS business. The IFS CG sets out the process to identify, assess and manage compliance risks associated with potential investment in infrastructure loan assets and infrastructure loan assets in the Sponsor's portfolio.

The key objectives of the IFS CG are to:

- ensure that due diligence has been conducted to identify material compliance risks and their associated implications to potential investments in infrastructure loan assets; and

- establish a structured approach with respect to management and mitigation of compliance risks.

The compliance risk assessment process of the IFS CG comprises three phases:

1. *Screening of key counterparties:* the Sponsor conducts initial screening on key counterparties of the potential investment as described in the section entitled "*Description of the Sponsor and the Collateral Manager –– IFS Business of the Sponsor — Investment and credit review process — Deal screening and due diligence*" of this Information Memorandum.

2. *Compliance risk due diligence:* after initial screening on key counterparties of the potential investment, the CF will commence more extensive due diligence on the compliance aspect of the key counterparties and will work with the IFS Division to obtain relevant due diligence information. Where required, the IFS Division will liaise with the relevant agent bank or counterparty to obtain additional information. CF will report findings, as well as any proposed mitigation measures, in a transaction compliance risk assessment which is included in the investment memorandum in respect of the potential investment in the investment approval stage to the IFSIC. Unless satisfactory measures and assurances are obtained with respect to compliance risks that are material and could not be adequately mitigated, the Sponsor will not take part in the potential investment opportunity.

3. *Post-commitment compliance monitoring:* the IFS Division will continue to monitor any changes, deteriorations or emerging risks with respect to the compliance risk of the investment and the key counterparties of infrastructure loan assets in the Sponsor's portfolio in accordance with the IFS CG.

For more information relating to the risk management and governance of the Sponsor's IFS business, see the section entitled "*Description of the Sponsor and the Collateral Manager – Risk Management – Risk management and governance of the IFS business*" of this Information Memorandum.

Sustainable finance

In 2022, the Sponsor established the SGS Framework to expand and implement its sustainability strategy as an integral part of its business strategy. The SGS Framework focuses on the Sponsor's sustainable initiatives and how the Group supports and is aligned with Hong Kong's long-term sustainability visions. The Sponsor uses the SGS Framework as the basis to structure and issue green, social and/or sustainability bonds and asset-backed securities via public issuance (for the avoidance of doubt, public issuance to professional investors only) and private placement, to support the growth of assets or projects with environmental and /or social benefits. The issuance of green, social and/or sustainability financing instruments aims to deliver positive environmental and/or social outcomes, which support HKMC's sustainability strategy.

The SGS Framework has been developed in alignment with the following sustainable finance principles and guidelines:

- International Capital Market Association Green Bond Principles 2021 and appendix 1 updated in 2022;

- International Capital Market Association Social Bond Principles 2021 and appendix 1 updated in 2022; and

- International Capital Market Association Sustainability Bond Guidelines 2021.

The Framework Second Party Opinion prepared by Sustainalytics stated that the SGS Framework is credible and impactful and aligned with relevant international sustainable finance guidelines and principles. The Framework Second Party Opinion can be found on the corporate website of the Sponsor.

Pursuant to the SGS Framework, the Sponsor issued its inaugural social bond in dual-tranche denominated in Hong Kong dollar and Chinese yuan in 2022. The inaugural social bond of the Sponsor consisted of HK$8 billion 2-year and CNY 3 billion 3-year tranches. In 2023, the Sponsor issued its second social bond composed of triple-tranche HK$9.5 billion 2-year, CNY5 billion 3-year and U.S.$650 million 5-year. The net proceeds from the issuances were mainly used to finance or refinance the loans under the Special 100% SFGS. The Sponsor has committed to publishing a report annually to report on the allocation and impact of the net proceeds from the social bonds until the net proceeds are fully allocated.

Governance of the Group

The Group consistently practises strong governance in the pursuit of its core missions and business objectives and maintains a high standard of corporate governance to assure stakeholders that their rights and interests are well protected.

The Group has in place internal policies as well as arrangements for regular compliance training and testing for its staff in the areas of anti-corruption, anti-money laundering, counter-terrorist financing and sanctions, privacy and information security, anti-fraud and whistleblowing, and anti-competition matters to ensure it conducts its business and operations with high standards of ethics, honesty and integrity and in accordance with applicable laws, rules and regulations.

Corporate Governance Code

The corporate governance practices of each of the Sponsor and its two principal subsidiaries are set out in its own Corporate Governance Code (each a "**Corporate Governance Code**"). Annual assessments are conducted internally to ensure their compliance with the respective Corporate Governance Codes, and a Corporate Governance Report on their compliance is published in the Sponsor's Annual Report ("**Corporate Governance Report**"). The Corporate Governance Code of the Sponsor and the Corporate Governance Report are available on the website of the Sponsor for public reference.

Audit Committee

The Audit Committee of the Sponsor is responsible for reviewing the Sponsor's financial statements, the composition of and accounting principles adopted in such statements, the results of the financial audits and the Sponsor's management procedures to ensure the adequacy and effectiveness of its internal control system. The Audit Committee holds regular meetings with the management, the Chief Internal Auditor and the external auditor of the Sponsor. Special meetings may also be called to review significant control or financial issues. HKMCI and HKMCA each has its own audit committee whose function and structure mirror those of the Audit Committee of the Sponsor.

Environmental, Social and Governance Committee

As part of the Group's overall business strategy, the Sponsor established the Environmental, Social and Governance Committee ("**ESGC**") in 2021 to lead the Group's sustainability efforts and oversee the Group's ESG strategy.

The ESGC is responsible for reviewing, approving and updating the Group's ESG strategy, policies and plans, monitoring the ESG trends and issues that are material to the Group and overseeing the implementation of the Group's ESG strategy. It will also evaluate the performance of the Group in achieving its ESG-related goals and targets. Regular reports will be made to keep the Board of Directors informed of the Group's progress on ESG matters.

The ESGC is chaired by the CEO of the Sponsor and its members include the CEOs of HKMCA and of the HKMCI and senior staff from the relevant functional departments of the Group. The ESGC holds regular

meetings to discuss and formulate major directions on ESG matters, and is supported and advised by a number of working groups at staff level, covering various ESG-related matters.

In 2021, the ESGC approved the adoption of the Group's ESG Statement and ESG Guiding Principles which guide the Sponsor's approach to incorporate ESG factors into its operations. Both the ESG Statement and the ESG Guiding Principles will be subject to regular review to keep pace with developments in ESG globally and in Hong Kong.

The Sponsor also devised and adopted the Responsible Investment, Lending and Business Decision-making Principles in 2021 which sets out the framework for the Sponsor's implementation of responsible investment, lending and business decision-making strategies. Through ESG integration, the Group identifies and evaluates ESG factors in its decision-making processes which include standard risk assessment and thematic investment, lending and business activities.

Risk Management

The Sponsor operates on prudent commercial principles. The principle of "prudence before profitability" guides the design of the overall risk management framework, discipline as well as day-to-day business execution. Over the years, the Sponsor has continuously made refinements to its risk management framework to reflect changes in the markets and its business strategies.

The Board is the highest decision-making authority of the Sponsor and holds ultimate responsibility for risk management. The Board, with the assistance of the Corporate Risk Management Committee ("**CRC**"), has the primary responsibility of formulating risk management strategies in the risk appetite statement and of ensuring that the Sponsor has an effective risk management system to implement these strategies. The risk appetite statement defines the constraints for all risk-taking activities and these constraints are incorporated into risk limits, risk policies and control procedures that the Sponsor follows to ensure risks are managed properly. The Sponsor manages primarily credit risk, market risk, longevity risk, property risk, operational risk, legal and compliance risk, leveraging risk, reputational risk, emerging risks, concentration risk and ESG risk arising from its loan assets, guarantee portfolio, infrastructure loans, annuity business and investment portfolio. In addition to the CRC, IFSIC and the IFSCMC, the Sponsor manages different risks through various management committees such as the Credit Committee, Transaction Approval Committee, Asset and Liability Committee, Operational Risk Committee, Longevity Risk Committee and the ESGC.

CRC

The CRC is responsible for overseeing the Sponsor's various types of risks, reviewing and approving high-level risk-related policies, overseeing their implementation, and monitoring improvement efforts in governance, policies and tools. Regular stress tests are reviewed by the CRC to evaluate the Sponsor's financial capability to weather extreme stress scenarios.

The CRC is chaired by an Executive Director of the Sponsor, with members including the CEO, Senior Vice Presidents, Chief Investment Officer, the General Counsel and senior staff from the Risk Management Department of the Sponsor.

IFSIC

The IFSIC was established to manage and oversee investments under the IFS business, except for the operation of the IFS business specifically in the Sponsor's capacity as Collateral Manager of ILBS which is independently managed and overseen by IFSCMC. The responsibilities of the IFSIC include approving new investments in infrastructure loan assets as well as material waiver requests, changes in credit ratings and periodic reviews of existing infrastructure loan assets of the Sponsor, and overseeing compliance

with risk guidelines and relevant policies, and approving ILBS issuance. The IFSIC is chaired by an Executive Director of the Sponsor, with members including the CEO, Senior Vice Presidents, Chief Investment Officer, the General Counsel and supported by senior staff from the relevant departments of the Sponsor, including the Risk Management Department, Treasury Department and the Legal Office of the Sponsor.

IFSCMC

The IFSCMC was established to manage and oversee the operation of the IFS business specifically in the sponsor's capacity as Collateral Manager of ILBS. The responsibilities of the IFSCMC include approving matters relating to the exercise, or forbearance to exercise, of duties or rights of the Collateral Manager in accordance with the Transaction Documents, including the approval of any divestment or reinvestment of infrastructure loan assets in the Portfolio on behalf of the Issuer. The IFSCMC is chaired by the CEO of the Sponsor, with members including Senior Vice Presidents, Chief Investment Officer, the General Counsel and supported by senior staff from the relevant departments of the Sponsor, including the Risk Management Department, Treasury Department and the Legal Office of the Sponsor.

The IFSCMC is independent from the infrastructure loan asset acquisition business of the Sponsor which is guided by the IFSIC. Members of the IFSCMC with decision-making authority in any other roles, including any separate committees governing other aspects of the IFS business (for example, the IFSIC) are required to exercise their duties in respect of those roles with reasonable standard of care as well as in accordance with internal policies of the Sponsor in relation to conflicts of interests.

Risk management and governance of the IFS business

IFSIC is the governance committee of the IFS business of the Sponsor (except for the operation of the IFS specifically in the Sponsor's capacity as Collateral Manager of ILBS) pursuant to the IFS RMR and the IFS RMG as well as the overall risk management policies and guidelines of the Sponsor, including guidelines on credit risk management, asset-liability management, compliance and E&S risks. The IFS RMR and IFS RMG define the key control metrics and monitoring and reporting mechanism for risk management of IFS business. To effectively manage the credit risk associated with investments in infrastructure loan assets, the Sponsor takes into consideration risks inherent in cross-border infrastructure projects, such as delay risk, construction risk, performance risk, operational risk, commercial risk, financial risk, counterparty risk, concentration risk, legal and compliance risk, regulatory risk, political risk, currency risk, interest rate risk and E&S risk.

These risks are continuously monitored and reviewed by the risk management team of the IFS Division in accordance with the relevant risk management policies and measurements of the Sponsor. The risk management team and the portfolio management team of the IFS Division also utilise credit rating and loss given default methodologies developed by external rating agencies which are widely adopted by international financial institutions to evaluate expected losses arising from default in infrastructure loan assets in the Sponsor's portfolio.

As disclosed in this Information Memorandum, the collateral management services undertaken by the Sponsor is separately governed by IFSCMC which is independent from the IFSIC. For more information relating to the duties and obligations of the Collateral Manager, see section entitled "*Description of the Collateral Management and Administration Agreement*" of this Information Memorandum.

Board of Directors

In order to give a broad representation of the views and interests of different sectors, the Sponsor has since its incorporation maintained a diverse composition of the Board of Directors which currently includes officials from the Hong Kong Government, representatives from political parties and professionals.

The Financial Secretary currently serves as the Chairman of the Board of Directors of the Sponsor.

Members of the Board of Directors as at the date of this Information Memorandum are:

The Hon. Paul CHAN Mo-po, GBM, GBS, MH, JP
Chairman and Executive Director
Financial Secretary

Mr Eddie YUE Wai-man, JP
Deputy Chairman and Executive Director
Chief Executive
Hong Kong Monetary Authority

Mr Howard LEE Tat-chi, JP
Executive Director
Deputy Chief Executive
Hong Kong Monetary Authority

Mr Raymond LI Ling-cheung, JP
Executive Director and Chief Executive Officer
Senior Executive Director
Hong Kong Monetary Authority

The Hon. Christopher HUI Ching-yu, GBS, JP
Non-Executive Director
Secretary for Financial Services and the Treasury

The Hon. Winnie HO Wing-yin, JP
Non-Executive Director
Secretary for Housing

The Hon. CHAN Hak-kan, SBS, JP
Non-Executive Director
Member of Executive Council
Member of Legislative Council

The Hon. Paul TSE Wai-chun, JP
Non-Executive Director
Member of Legislative Council
Founder & Senior Partner, Paul W. Tse, Solicitors

The Hon. Jimmy NG Wing-ka, BBS, JP
Non-Executive Director
Member of Legislative Council

The Hon. SHIU Ka-fai, BBS, JP
Non-Executive Director
Member of Legislative Council

Mr Clement CHAN Kam-wing, BBS, MH, JP
Non-Executive Director
Managing Director – Assurance
BDO Limited

Ms Margaret KWAN Wing-han
Non-Executive Director
Member on Process Review Panel for Securities and Futures Commission

As announced by the Sponsor on 11 July 2024, Mr Raymond LI Ling-cheung will be retiring, and be succeeded by Mr Colin POU Hak-wan, as Chief Executive Officer of the Sponsor with effect from 26 December 2024.

Management Team of the IFS Division

As at the date of this Information Memorandum, the management team of the IFS Division consists of six members as follows:

Name	Position
Mr Mike CHENG Man Shun, Mansion	Chief Investment Officer (Infrastructure Financing and Securitisation)
Mr Calvin TAN Tze-huay	Head of Infrastructure Investment
Mr Robert TAM Chi-wang	Head of Execution
Mr Francis OR Tin-kit	Head of Infrastructure Risk
Mr Keith LAU	Head of Portfolio Management
Mr Anthony KEUNG Man-yin	Principal ESG Officer

Mr Mike CHENG Man Shun, Mansion is the Chief Investment Officer (Infrastructure Financing and Securitisation) of the IFS Division of the Sponsor. He has over 25 years of experience in infrastructure and project finance including in project finance advisory, origination, execution as well as risk and portfolio management. Prior to joining the Sponsor, he was the Credit Director in Infrastructure at Eastspring Investments (Hong Kong), Director of Structured Credit at Australia and New Zealand Banking Group, Head of Project Finance at KBC Hong Kong, Deputy Team Head of Credit Risk Management at WestLB Hong Kong and various positions at Deutsche Bank.

Mr Calvin TAN Tze-huay is the Head of Infrastructure Investment of the IFS Division. He has over 20 years of investment and advisory experience with the last 14 years focusing on infrastructure and related resources sectors across the Asia Pacific region. Prior to joining the Sponsor, he was the Investment Director at Eastspring Investments (Hong Kong), Vice President at JP Morgan Asian Infrastructure and Related Resources Opportunity Funds and also held sell-side advisory and investment banking roles with JP Morgan, DBS Bank and Aseambankers Malaysia.

Mr Robert TAM Chi-wang is the Head of Execution of the IFS Division. He has over 30 years of project finance experience on both the origination and credit management of project finance. Prior to joining the Sponsor, he had worked with HSBC, Credit Suisse, KBC Bank, DZ Bank and MUFG where he was a Managing Director of its Structured Finance Credit Office in Singapore responsible for project finance credits. During his career, Robert was involved in many landmark project finance transactions in the Asia Pacific region in his roles as originator/executor.

Mr Francis OR Tin-kit is the Head of Infrastructure Risk of the IFS Division. He has over 25 years of banking experience in various financial institutions covering risk management, mergers and acquisitions, corporate finance, corporate advisory, project advisory/financing, portfolio management and relationship management. Prior to joining the Sponsor, he was the Head of Wholesale Credit at Australia and New Zealand Banking Group where he was responsible for managing institutional, corporate and commercial customers in Hong Kong, financial institution customers in North East Asia and the structured finance portfolio in the Asia Pacific region.

Mr Keith LAU is the Head of Portfolio Management of the IFS Division. He has over 15 years of banking experience predominantly in portfolio management and origination of project and export finance transactions in the utilities, infrastructure, and mining sectors. Prior to joining the Sponsor, he held various roles within the Corporate Finance Division of Australia and New Zealand Banking Group for more than 10 years in Melbourne and Hong Kong focusing on origination and credit management of a portfolio of project finance and structured finance loans in Australia and the Asia Pacific region.

Mr Anthony KEUNG Man-yin is the Principal ESG Officer of the IFS Division. He has over 15 years of ESG experience covering ESG advisory, technical and E&S due diligence and environmental infrastructure engineering. Prior to joining the Sponsor, he was an Executive Director of AECOM focusing on infrastructure engineering and sustainability consulting. Key clients he served include various department of the Hong Kong Government, listed companies and multilateral development banks.

INDUSTRY OVERVIEW

The following information regarding the infrastructure and project finance industry has been derived from general information which is publicly available as well as the specific sources cited in the footnotes and endnotes to this section. The information is included for information purposes only. None of the Sponsor, the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Collateral Manager, the Collateral Manager Related Party, HKMC, the Retention Holder, the Trustee or any other person has conducted an independent review of the information from any third-party source or verified the accuracy or completeness of the relevant information.

The information contained in this Information Memorandum (including, without limitation, in this section and in the section entitled "The Portfolio" of this Information Memorandum) includes historical information about the Portfolio and the infrastructure and project finance industry generally that should not be regarded as an indication of the future performance or results of the Portfolio or the infrastructure and project finance industry generally.

In considering whether to make an investment in the Notes, potential investors should consider the risk factors set out in the section entitled "Risk Factors", as well as the risks and disclaimers set out in italicised wording above and in the sections entitled "The Portfolio", "Description of the Sponsor and the Collateral Manager" in this Information Memorandum.

Overview of the infrastructure and project finance market

Infrastructure development — including transportation, power generation and distribution, telecommunications, water supply and sanitation — lies at the heart of economic growth as well as social and ecological development. The importance of infrastructure has been brought to the fore through the COVID-19 pandemic which highlighted the critical nature of having resilient, functioning infrastructure for maintaining economic and social activity — with the World Bank estimating that infrastructure disruptions impose costs between US$391 billion and US$647 billion a year on households and firms in low and middle-income countries[3]. The need for infrastructure investment globally is significant, with McKinsey projecting a US$15 trillion global infrastructure spending gap through 2030[4]. It is crucial to narrow the infrastructure financing gap for economies to meet their economic and social goals. Apart from public sector support, private sector participation could play an important role in closing such gaps with more than US$200 trillion of private capital pool in global capital markets[5]. Innovative financing channels for infrastructure investment are required to speed up infrastructure development for resilient economic growth.

Funding sources

There are three main sources of funding for project and infrastructure financing: public sector financing, private sector financing, and financing from multilateral institutions.

Public sector financing

Public sector financing primarily involves direct fiscal support from governments in the form of investments or capital expenditures by governments. Sources of public sector funds include government revenues, issuances of government bonds, borrowings from financial institutions (including multilateral financial institutions) and official development assistance from donor countries.

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[3] Source: World Bank. Lifelines: The Resilient Infrastructure Opportunity. Available: https://openknowledge.worldbank.org/entities/publication/c3a753a6-2310-501b-a37e-5dcab3e96a0b

[4] Source: Mckinsey. Infrastructure and natural resources grow and evolve. Available: https://www.mckinsey.com/industries/private-capital/our-insights/mckinseys-private-markets-annualreview-2023

[5] Source: ADB. Innovative Financing Key to Private Sector Participation in ASEAN+3 Infrastructure Development ADB Report. Available: https://www.adb.org/news/innovative-financing-keyprivate- sector-participation-asean3-infrastructure-development-adb

Private sector financing

Private sector financing for the project and infrastructure space includes equity financing, commercial bank loans, project financing, bonds, funds and public private investments. Concessional bank loans remain a pivotal source of project and infrastructure financing ("**PIF**") in developing countries, because they offer long-term financing at below-market interest rates. Such funding is often paired with technical assistance to facilitate successful completion of infrastructure projects. Some government agencies also provide matching guarantees to loans or equity investments to mitigate risks for private partners.

The PIF market in the form of loans and bonds over time has averaged approximately US$107.0bn, US$27.6bn and US$27.5bn per year respectively in the Asia Pacific, Middle East and Latin America/ Caribbean regions for the period between 2012 to 2023.

APAC PIF Financing Volume (US$ billions)[6]:

Year	US$ denominated	Total PIF Financing
2013	20.8	186.4
2014	27.2	145.1
2015	20.4	159.3
2016	13.4	111.8
2017	35.6	124.6
2018	28.9	99.2
2019	36.6	94.0
2020	29.4	81.4
2021	16.8	66.5
2022	17.0	65.3
2023	23.6	76.2

Middle East PIF Financing Volume (US$ billions)[7]:

Year	US$ denominated	Total PIF Financing
2013	22.3	26.5
2014	10.6	12.9
2015	14.7	17.9
2016	43.9	46.9
2017	14.7	15.4
2018	23.5	24.9
2019	33.5	35.5
2020	26.6	33.1
2021	26.1	31.8
2022	25.8	27.8
2023	43.3	53.1

[6] Source: Loan Connector (Filtered by Infrastructure and Project Finance Deal Purpose) as of July 2024

[7] Source: Loan Connector (Filtered by Infrastructure and Project Finance Deal Purpose) as of July 2024

Latin America/Caribbean PIF Financing Volume (US$ billions)[8]:

Year	US$ denominated	Total PIF Financing
2013	8.4	11.1
2014	22.3	26.8
2015	24.4	29.2
2016	14.8	19.1
2017	15.8	21.5
2018	25.8	37.0
2019	41.2	51.7
2020	17.8	27.9
2021	22.4	30.6
2022	22.4	37.8
2023	27.8	37.3

APAC PIF Financing Activity by Jurisdiction (US$ millions)[9]:

	2021			2022			2023		
Jurisdiction	**%**	**US$'mn**	**Rank**	**%**	**US$'mn**	**Rank**	**%**	**US$'mn**	**Rank**
Australia	40.4%	26,804.0	1	38.0%	24,772.3	1	22.6%	17,209.9	2
Bangladesh	0.6%	427.5	12	0.4%	270.0	13	0.9%	656.0	12
Cambodia	1.0%	658.0	9	0.0%	2.3	17	0.1%	90.0	15
China	0.4%	295.9	13	0.4%	256.5	14	0.0%	–	17
Hong Kong	0.0%	–	18	0.0%	16.3	16	0.0%	–	17
India	16.8%	11,142.4	2	20.8%	13,550.0	2	22.6%	17,237.9	1
Indonesia	9.0%	5,970.6	4	4.9%	3,185.0	6	16.8%	12,839.1	3
Japan	16.5%	10,951.4	3	7.4%	4,855.2	4	7.1%	5,375.3	6
Laos	0.0%	–	18	0.0%	–	18	0.9%	682.6	11
Malaysia	1.2%	787.3	8	1.0%	663.7	12	2.2%	1,686.8	9
Mongolia	0.0%	–	18	0.0%	–	18	0.7%	500.0	13
New Zealand	0.7%	470.4	11	1.2%	809.1	10	0.9%	698.4	10
Pakistan	0.2%	100.0	14	3.7%	2,432.0	7	0.0%	–	17
Papua New Guinea	0.1%	85.0	15	0.0%	–	18	0.0%	–	17
Philippines	0.0%	17.8	17	7.0%	4,553.7	5	7.7%	5,886.3	5
Singapore	2.8%	1,841.5	6	1.0%	680.5	11	4.1%	3,144.7	8
South Korea	2.6%	1,727.1	7	3.3%	2,163.3	8	4.4%	3,324.1	7
Taiwan	6.7%	4,437.1	5	2.8%	1,826.9	9	8.5%	6,452.6	4
Thailand	0.1%	41.9	16	7.7%	5,031.0	3	0.0%	18.4	16
Vietnam	0.9%	616.9	10	0.3%	187.6	15	0.6%	423.8	14
Total		**66,374.7**			**65,255.3**			**76,225.9**	

[8] Source: Loan Connector (Filtered by Infrastructure and Project Finance Deal Purpose) as of July 2024

[9] Source: Loan Connector (Filtered by Infrastructure and Project Finance Deal Purpose) as of July 2024

Middle East PIF Financing Activity by Jurisdiction (US$ millions)[10]:

	2021			2022			2023		
Jurisdiction	**%**	**US$'mn**	**Rank**	**%**	**US$'mn**	**Rank**	**%**	**US$'mn**	**Rank**
Bahrain	0.0%	–	7	4.5%	1,247.5	3	0.0%	–	7
Iraq	2.4%	485.0	5	0.0%	–	7	0.0%	–	7
Israel	2.5%	503.0	3	2.6%	720.0	4	8.1%	4,293.4	4
Jordan	2.5%	500.0	4	0.0%	–	7	3.7%	1,974.0	5
Oman	0.0%	–	7	2.1%	588.0	6	1.2%	614.6	6
Qatar	0.9%	175.7	6	2.4%	675.0	5	10.0%	5,318.0	3
Saudi Arabia	65.7%	13,146.2	1	65.9%	18,301.7	1	54.9%	29,136.2	1
United Arab Emirates	25.9%	5,187.9	2	22.5%	6,242.2	2	22.1%	11,716.5	2
Total		**19,997.8**			**27,774.4**			**53,052.8**	

Latin America/Caribbean PIF Financing Activity by Jurisdiction (US$ millions)[11]:

	2021			2022			2023		
Jurisdiction	**%**	**US$'mn**	**Rank**	**%**	**US$'mn**	**Rank**	**%**	**US$'mn**	**Rank**
Argentina	1.4%	443.0	7	5.0%	1,854.5	6	1.7%	640.0	6
Barbados	0.0%	–	14	0.0%	–	18	0.2%	76.0	8
Belize	0.0%	–	14	0.1%	24.0	16	0.0%	–	12
Bolivia	0.0%	–	14	0.1%	53.6	15	0.2%	62.0	9
Brazil	34.4%	10,553.4	1	39.1%	14,510.7	1	36.5%	13,940.4	1
Chile	18.6%	5,707.7	2	9.9%	3,681.1	4	21.4%	8,167.7	3
Colombia	9.7%	2,983.8	5	12.9%	4,798.7	3	4.5%	1,705.6	4
Costa Rica	0.0%	–	14	0.4%	130.0	13	0.0%	–	12
Dominican Republic	0.6%	186.3	9	0.7%	250.0	12	1.0%	395.0	7
Ecuador	0.1%	36.8	12	1.1%	414.5	11	0.0%	–	12
El Salvador	0.4%	128.3	11	0.1%	18.9	17	0.0%	–	12
Guatemala	0.0%	5.0	13	4.9%	1,833.3	7	0.0%	–	12
Guyana	16.5%	5,067.2	3	14.8%	5,488.1	2	32.4%	12,378.9	2
Mexico	0.0%	–	14	0.3%	110.0	14	0.0%	–	12
Nicaragua	12.2%	3,725.8	4	1.2%	440.0	9	0.1%	50.0	10
Panama	0.0%	–	14	1.6%	600.0	8	0.1%	45.0	11
Paraguay	4.4%	1,343.6	6	6.7%	2,470.7	5	2.0%	783.0	5
Peru	0.4%	137.0	10	0.0%	–	18	0.0%	–	12
Trinidad and Tobago	1.0%	320.7	8	1.2%	435.9	10	0.0%	–	12
Uruguay	1.4%	443.0	7	5.0%	1,854.5	6	1.7%	640.0	6
Total		**30,638.5**			**37,114.0**			**38,243.5**	

[10] Source: Loan Connector (Filtered by Infrastructure and Project Finance Deal Purpose) as of July 2024

[11] Source: Loan Connector (Filtered by Infrastructure and Project Finance Deal Purpose) as of July 2024

APAC PIF Financing Activity by Sector (US$ million)[12]:

	2021			2022			2023		
Sector	**%**	**US$'mn**	**Rank**	**%**	**US$'mn**	**Rank**	**%**	**US$'mn**	**Rank**
Chemicals, Plastics & Rubber	**3.6%**	**2,407.5**	**9**	**1.3%**	**829.4**	**15**	**0.6%**	**455.8**	**14**
Fertilizers	*3.6%*	*2,407.5*		*0.3%*	*186.2*		*0.0%*	*–*	
Other Chemicals, Plastics & Rubber	*0.0%*	*–*		*1.0%*	*643.2*		*0.6%*	*455.8*	
Construction	**10.8%**	**7,184.2**	**2**	**9.9%**	**6,466.5**	**2**	**10.7%**	**8,180.2**	**4**
Heavy construction	*3.0%*	*2,010.6*		*3.8%*	*2,511.9*		*5.2%*	*3,944.3*	
Transportation (e.g. highways, bridges, tunnels & roads)	*7.5%*	*4,976.0*		*5.3%*	*3,450.5*		*5.2%*	*3,946.2*	
Other Construction	*0.3%*	*197.6*		*0.8%*	*504.1*		*0.4%*	*289.8*	
Financial Services	**9.0%**	**6,005.9**	**3**	**8.0%**	**5,234.8**	**4**	**4.2%**	**3,215.5**	**7**
General Manufacturing	**4.9%**	**3,224.8**	**6**	**4.0%**	**2,632.6**	**9**	**5.9%**	**4,523.7**	**6**
Government	**0.7%**	**443.7**	**15**	**1.5%**	**1,009.7**	**13**	**1.4%**	**1,073.5**	**12**
Healthcare	**5.8%**	**3,866.0**	**4**	**1.3%**	**856.6**	**14**	**1.9%**	**1,456.4**	**10**
Leisure and Entertainment	**0.5%**	**357.8**	**16**	**0.0%**	**–**	**17**	**0.3%**	**200.3**	**16**
Mining	**2.1%**	**1,389.4**	**11**	**9.1%**	**5,954.2**	**3**	**4.0%**	**3,062.3**	**8**
Oil and Gas	**4.1%**	**2,724.6**	**8**	**6.2%**	**4,061.7**	**7**	**16.4%**	**12,484.9**	**2**
Real Estate (incl. REITS)	**2.4%**	**1,571.6**	**10**	**1.1%**	**731.9**	**16**	**0.2%**	**143.1**	**17**
Services	**0.7%**	**475.8**	**14**	**6.9%**	**4,531.8**	**6**	**1.9%**	**1,431.4**	**11**
Education	*0.6%*	*427.8*		*0.9%*	*555.4*		*0.2%*	*181.3*	
Other Services	*0.1%*	*48.0*		*6.1%*	*3,976.5*		*1.6%*	*1,250.1*	
Shipping (incl. Freight, Marine Cargo & Transportation)	**5.1%**	**3,389.6**	**5**	**2.5%**	**1,660.9**	**11**	**1.0%**	**752.0**	**13**
Technology & Telecommunications	**1.9%**	**1,234.3**	**12**	**1.8%**	**1,202.2**	**12**	**6.1%**	**4,654.3**	**5**
Transportation	**4.7%**	**3,103.4**	**7**	**7.9%**	**5,186.4**	**5**	**2.8%**	**2,127.2**	**9**
Airports & Related Services	*3.5%*	*2,349.1*		*2.6%*	*1,670.9*		*0.5%*	*403.8*	
Railroads, local & suburban transit	*0.2%*	*151.2*		*5.2%*	*3,388.2*		*0.2%*	*178.8*	
Other Transportation	*0.9%*	*603.0*		*0.2%*	*127.3*		*2.0%*	*1,544.7*	
Utilities	**41.9%**	**27,821.3**	**1**	**30.2%**	**19,720.8**	**1**	**28.1%**	**21,397.3**	**1**
Electric services	*36.5%*	*24,235.6*		*29.9%*	*19,499.1*		*24.5%*	*18,683.6*	
Power Distribution	*1.9%*	*1,285.4*		*0.2%*	*109.9*		*1.2%*	*882.8*	
Water, Sewer and Utility Lines	*3.5%*	*2,300.4*		*0.2%*	*111.8*		*2.4%*	*1,831.0*	
Wholesale	**0.5%**	**300.5**	**17**	**3.1%**	**2,026.4**	**10**	**0.5%**	**372.6**	**15**
Oil & Gas Development & Services	*0.0%*	*–*		*0.3%*	*199.9*		*0.2%*	*156.6*	
Other Wholesale	*0.5%*	*300.5*		*2.8%*	*1,826.5*		*0.3%*	*216.0*	
Others	**1.3%**	**874.2**	**13**	**4.8%**	**3,149.5**	**8**	**14.0%**	**10,695.4**	**3**

[12] Source: Loan Connector (Filtered by Infrastructure and Project Finance Deal Purpose) as of July 2024

Middle East PIF Financing Activity by Sector (US$ million)[13]:

Sector	2021			2022			2023		
	%	US$'mn	Rank	%	US$'mn	Rank	%	US$'mn	Rank
Chemicals, Plastics & Rubber	**0.0%**	**–**	**8**	**2.4%**	**673.1**	**5**	**41.2%**	**21,855.3**	**1**
Fertilizers	*0.0%*	*–*		*1.8%*	*488.0*		*0.0%*	*–*	
Other Chemicals, Plastics & Rubber	*0.0%*	*–*		*0.7%*	*185.1*		*41.2%*	*21,855.3*	
Construction	**0.0%**	**–**	**8**	**0.0%**	**–**	**7**	**7.7%**	**4,077.1**	**4**
Heavy construction	*0.0%*	*–*		*0.0%*	*–*		*5.5%*	*2,912.9*	
Transportation (e.g. highways, bridges, tunnels & roads)	*0.0%*	*–*		*0.0%*	*–*		*1.8%*	*978.4*	
Other Construction	*0.0%*	*–*		*0.0%*	*–*		*0.4%*	*185.8*	
Financial Services	**2.9%**	**570.0**	**3**	**0.0%**	**–**	**7**	**0.0%**	**–**	**13**
General Manufacturing	**0.0%**	**–**	**8**	**4.5%**	**1,247.5**	**4**	**0.1%**	**54.3**	**12**
Government	**0.0%**	**–**	**8**	**0.0%**	**–**	**7**	**1.5%**	**800.0**	**7**
Healthcare	**0.0%**	**–**	**8**	**0.0%**	**–**	**7**	**0.9%**	**500.0**	**9**
Leisure and Entertainment	**0.0%**	**–**	**8**	**0.0%**	**–**	**7**	**1.3%**	**699.0**	**8**
Oil and Gas	**39.9%**	**7,985.5**	**2**	**56.1%**	**15,579.2**	**1**	**0.7%**	**359.0**	**10**
Real Estate (incl. REITS)	**0.0%**	**–**	**8**	**0.0%**	**–**	**7**	**6.8%**	**3,630.0**	**5**
Services	**0.9%**	**175.7**	**5**	**0.0%**	**–**	**7**	**0.3%**	**154.0**	**11**
Education	*0.0%*	*–*		*0.0%*	*–*		*0.0%*	*–*	
Other Services	*0.0%*	*–*		*0.0%*	*–*		*0.0%*	*–*	
Shipping (incl. Freight, Marine Cargo & Transportation)	**0.6%**	**125.0**	**7**	**0.0%**	**–**	**7**	**0.0%**	**–**	**13**
Technology & Telecommunications	**0.0%**	**–**	**8**	**0.8%**	**212.3**	**6**	**0.0%**	**–**	**13**
Transportation	**0.0%**	**–**	**8**	**0.0%**	**–**	**7**	**8.0%**	**4,226.1**	**3**
Airports & Related Services	*0.0%*	*–*		*0.0%*	*–*		*0.0%*	*–*	
Railroads, Local & Suburban Transit	*0.0%*	*–*		*0.0%*	*–*		*4.2%*	*2,226.1*	
Other Transportation	*0.0%*	*–*		*0.0%*	*–*		*3.8%*	*2,000.0*	
Utilities	**54.3%**	**10,861.5**	**1**	**30.4%**	**8,438.6**	**2**	**28.1%**	**14,898.1**	**2**
Electric Services	*30.2%*	*6,039.8*		*25.9%*	*7,182.9*		*18.2%*	*9,636.8*	
Power Distribution	*15.0%*	*3,000.0*		*2.4%*	*675.0*		*0.0%*	*–*	
Water, Sewer and Utility Lines	*9.1%*	*1,821.7*		*2.1%*	*580.7*		*9.9%*	*5,261.3*	
Wholesale	**1.4%**	**280.0**	**4**	**0.0%**	**–**	**7**	**0.0%**	**–**	**13**
Oil & Gas Development & Services	*0.0%*	*–*		*0.0%*	*–*		*0.0%*	*–*	
Other Wholesale	*0.0%*	*–*		*0.0%*	*–*		*0.0%*	*–*	
Others	**0.9%**	**175.7**	**5**	**5.8%**	**1,623.7**	**3**	**3.7%**	**1,954.0**	**6**

[13] Source: Loan Connector (Filtered by Infrastructure and Project Finance Deal Purpose) as of July 2024

Latin America/Caribbean PIF Financing Activity by Sector (US$ million)[14]:

	2021			2022			2023		
Sector	**%**	**US$'mn**	**Rank**	**%**	**US$'mn**	**Rank**	**%**	**US$'mn**	**Rank**
Chemicals, Plastics & Rubber	**2.7%**	**820.0**	**9**	**0.1%**	**35.6**	**12**	**0.1%**	**31.3**	**14**
Construction	**20.4%**	**6,258.2**	**2**	**9.0%**	**3,345.5**	**4**	**6.5%**	**2,501.7**	**6**
Heavy construction	*1.8%*	*547.2*		*1.5%*	*571.4*		*1.3%*	*493.0*	
Transportation (e.g. highways, bridges, tunnels & roads)	*4.4%*	*1,351.6*		*5.4%*	*2,010.2*		*4.6%*	*1,762.9*	
Other Construction	*14.2%*	*4,359.4*		*2.1%*	*763.9*		*0.6%*	*245.8*	
Financial Services	**4.6%**	**1,423.0**	**7**	**3.7%**	**1,361.1**	**8**	**17.9%**	**6,850.0**	**2**
General Manufacturing	**5.1%**	**1,550.0**	**6**	**0.2%**	**78.4**	**11**	**0.0%**	**12.4**	**15**
Government	**0.9%**	**273.2**	**10**	**0.0%**	**–**	**13**	**2.3%**	**873.5**	**8**
Healthcare	**0.2%**	**68.6**	**14**	**0.0%**	**–**	**13**	**1.1%**	**432.7**	**9**
Hotel & Gaming	**0.0%**	**–**	**17**	**0.0%**	**–**	**13**	**0.3%**	**130.0**	**13**
Mining	**3.8%**	**1,151.6**	**8**	**3.9%**	**1,456.7**	**7**	**2.7%**	**1,050.0**	**7**
Oil and Gas	**12.9%**	**3,951.7**	**3**	**11.9%**	**4,404.8**	**3**	**12.6%**	**4,819.9**	**3**
Real Estate (incl. REITS)	**0.3%**	**80.0**	**13**	**2.6%**	**953.9**	**10**	**0.4%**	**147.1**	**12**
Services	**0.1%**	**36.2**	**16**	**0.0%**	**–**	**13**	**0.0%**	**–**	**16**
Shipping (incl. Freight, Marine Cargo & Transportation)	**0.7%**	**200.0**	**11**	**3.6%**	**1,332.8**	**9**	**0.4%**	**170.3**	**11**
Technology & Telecommunications	**0.2%**	**62.0**	**15**	**6.9%**	**2,555.1**	**6**	**0.5%**	**190.7**	**10**
Transportation	**12.6%**	**3,873.0**	**4**	**19.4%**	**7,187.5**	**2**	**7.1%**	**2,698.4**	**5**
Airports & Related Services	*0.2%*	*75.0*		*6.4%*	*2,368.8*		*0.0%*	*–*	
Railroads, local & suburban transit	*2.7%*	*824.6*		*6.6%*	*2,451.3*		*6.7%*	*2,547.3*	
Other Transportation	*9.7%*	*2,973.5*		*6.4%*	*2,367.5*		*0.4%*	*151.1*	
Utilities	**23.2%**	**7,099.3**	**1**	**31.3%**	**11,608.2**	**1**	**37.5%**	**14,334.3**	**1**
Electric Services	*19.3%*	*5,927.2*		*29.3%*	*10,887.9*		*19.7%*	*7,532.1*	
Power Distribution	*2.5%*	*780.0*		*0.0%*	*11.0*		*6.3%*	*2,417.7*	
Water, Sewer and Utility Lines	*1.3%*	*392.1*		*1.9%*	*709.4*		*11.5%*	*4,384.5*	
Wholesale	**0.3%**	**100.0**	**12**	**0.0%**	**–**	**13**	**0.0%**	**–**	**16**
Others	**12.0%**	**3,691.8**	**5**	**7.5%**	**2,794.4**	**5**	**10.5%**	**4,001.2**	**4**

[14] Source: Loan Connector (Filtered by Infrastructure and Project Finance Deal Purpose) as of July 2024

Financing from multilateral financial institutions

International multilateral financial institutions such as multilateral banks, export credit agencies ("**ECAs**") and microfinance institutions ("**MFIs**") are also crucial partners in co-financing infrastructure projects in developing countries. In addition to providing financial assistance to developing countries, multilateral financial institutions also provide technical assistance, policy advice, capacity building, resource mobilisation and risk-sharing assessments to developing countries.

According to Asian Infrastructure Investment Bank, the public sector is the main player in infrastructure investment worldwide. It finances about 92 per cent. of infrastructure in Asian economies. Driven by China, about 90 per cent. of investment in East Asia is publicly financed, while only 60 per cent. is in South Asia. Public sector involvement is greater in certain sectors, such as transport and water.[15]

In a study by the World Bank, private participation in infrastructure investment in 2023 amounted to US$86 billion, representing 0.2 per cent. of the GDP of all low- and middle-income countries. Within these private infrastructure commitments in 2023, approximately 67 per cent. came from private sources, 20 per cent. came from Development and Export Finance Institution ("**DEFI**"), and 13 percent from public sources. In comparison to 2022, private sources increased by 18 per cent. from 50 per cent., while public sources decreased by 22 per cent. from 35 per cent. DEFI's contribution (in the form of loan) to PPI projects in 2023 remained relatively unchanged from the previous year.[16]

This compares unfavourably with the World Bank estimate that the cost for infrastructure investments for low- and middle-income countries ranges from 2 to 8 per cent. of GDP through to 2030, equivalent to between US$640 billion and US$2.7 trillion, which are needed across electricity, transport, water supply and sanitation, flood protection and irrigation.[17] While commercial banks are expected to remain important sources of finance, recent regulatory changes (such as the Basel III Framework) that were introduced in the wake of the global financial crisis are expected to increase the capital buffers commercial banks must hold, and to require them to better manage asset-liability mismatch risk, which has significantly reduced the ability of commercial banks to provide long-term infrastructure and project finance. These changes are likely to exacerbate the infrastructure investment gap, creating significant potential space for alternative sources of infrastructure finance (such as bond financing).

The role of MFIs and ECAs in the project and infrastructure finance market

MFIs and ECAs are institutions founded with the primary purpose of providing key credit enhancement tools for project and infrastructure financing. These include guarantee and insurance products that protect against political and commercial risks.

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[15] Source: AIIB. Asian Infrastructure Finance 2021, Sustaining Global Value Chains. https://324d0578.isolation.zscaler.com/profile/53805299-7c8b-4e0b-85bd-0c4279349fea/zia-session/?tenant=6ec9fe36c097&region=hkg&controls_id=33de27fb-0b4c-42ba-ad0fd6afe11fd50a&user=db8c2c1ddac86649c1e50083df08f1a8c23889326412bc25d3668f77f44da8c1&original_url=https%3A%2F%2Fwww.aiib.org%2Fen%2Fnews-events%2Fasian-infrastructurefinance%2F_common%2Fpdf%2FAIIB-Asian-Infrastructure-Finance-2021.pdf&key=sh-1&hmac=4efa5966fcab2aa51dd3c9453f3eb70f6dde1c4c6de0491aa4baee06dc0c013f

[16] Source: World Bank. Private Participation in Infrastructure Database. Available: https://ppi.worldbank.org/content/dam/PPI/documents/PPI-2023-Annual-Report-Final.pdf

[17] Source: World Bank. Beyond the Gap: How Countries Can Afford the Infrastructure They Need while Protecting the Planet. Available: https://324d0578.isolation.zscaler.com/profile/53805299-7c8b-4e0b-85bd-0c4279349fea/zia-session/?tenant=6ec9fe36c097&region=hkg&controls_id=ca2dc8a3-a0a2-4cb6-a2e2-c68d31a16104&user=db8c2c1ddac86649c1e50083df08f1a8c23889326412bc25d3668f77f44da8c1&original_url=https%3A%2F%2Fopenknowledge.worldbank.org%2Fentities%2Fpublication%2F95801508-1130-5ed0-843a-113b50285006&key=sh-1&hmac=354c9734ae3a7f768b37e030502970509363f8a8575c1744384cde5830740887

Political risk guarantees generally cover the following political risks:

- currency inconvertibility and transfer restrictions;
- expropriation of assets by governments or government entities;
- wars, terrorism and civil disturbances;
- breaches of contract relating to sovereign intervention or interference, repudiation, etc.;
- changes in law, restricting performance under the finance documents; and
- moratorium by the country of the borrower or in any other country required to effect payment.

Commercial risk cover generally covers the following commercial risks:

- standard commercial risks, such as non-payment by the borrower (i.e., credit default) and other breaches of the finance documents by the obligors causing such a failure to pay;
- non-honouring of sovereign financial obligations;
- bankruptcy of the borrower;
- court decisions prohibiting borrower from making payments, or materially degrading the lenders' security package; and
- non-bankruptcy restructuring and workouts that reduce or delay repayment or adversely amend its terms.

Multilateral financial institutions

The presence of support by MFIs generally results in lenders having an increased likelihood of recovering exposures and obtaining claim payouts in full and on a timely basis. MFIs, such as the Multilateral Investment Guarantee Agency, the International Finance Corporation and the Asian Development Bank ("**ADB**"), have consistently demonstrated a strong willingness to work with sovereigns and borrowers in pre-default situations to protect the interests of private investors. As of 2020, Multilateral Investment Guarantee Agency has been able to resolve disputes that would have led to claims in all but two cases (in which both of the claims were paid), and has also paid eight claims resulting from damage related to war and civil disturbance.[18]

Endnotes

The section entitled "*Overview of the infrastructure and project finance market*" is an adaptation of original works titled Meeting Asia's Infrastructure Needs. © ADB. https://www.adb.org/sites/default/files/publication/227496/special-report-infrastructure.pdf and Public Financing of Infrastructure in Asia: In Search of New Solutions. © ADB. https://www.adb.org/sites/default/files/publication/297481/adbi-pb2017-2.pdf. The views expressed here do not necessarily reflect the views and policies of the ADB or its board of governors or the governments they represent. The ADB does not endorse this work or guarantee the accuracy of the data included in this Information Memorandum, and accepts no responsibility for any consequence of their use.

THE PORTFOLIO

The numbers and amounts in relation to the Portfolio and the Infra Loan Obligations as disclosed in this section are estimates of the numbers or amounts as of the Closing Date, but not the numbers and amounts as of the date of this Information Memorandum. Unless otherwise indicated, those estimates are calculated as at the date of this Information Memorandum.

The Sponsor has applied the following key selection principles in establishing the Portfolio:

Structure and Sourcing

Geographic focus in selecting Infra Loan Obligations for the Portfolio is in the Asia-Pacific, the Middle East and the Latin America regions. US$389.3 million, or 92.0 per cent. of the aggregate principal amount of the Portfolio are operational projects that generate cash flows (some of which may have ongoing ramp-up or additional works to achieve the intended full production capacity), while the remaining US$34.0 million, or 8.0 per cent. of the aggregate principal amount are projects at advanced stages of construction, but which benefit from appropriate credit mitigants, such as sponsor completion guarantees or sponsor support.

Sourcing of all Infra Loan Obligations in the Portfolio have been from leading international and regional banks (each, an "**Originating Bank**"). Several Infra Loan Obligations are supported by ECAs and/or project sponsors through various forms of credit enhancement, such as guarantees and insurance.

Environmental, Social and Governance Assessment

The Sponsor has implemented corporate-wide policies and guidelines on E&S in respect of its business activities, including the establishment of the ESGC and the adoption of the ESG Guiding Principles and the Responsible Investment, Lending and Business Decision-making Principles of the Sponsor. The Sponsor has also established the IFS E&SG specifically for its IFS business which, together with the Sponsor's corporate-wide E&S policies and guidelines, form the basis of the Sponsor's E&S assessment and monitoring of the Portfolio.

To the extent practicable, the Sponsor is dedicated to adopt the Equator Principles for the Infra Loan Obligations in the Portfolio that are within the scope of the Equator Principles. For infrastructure loan assets that are not within the scope of the Equator Principles (e.g. loans that are not specific to an infrastructure project, or asset finance that are not part of an underlying project financing such as vessels), the investment team of the IFS Division will ensure compliance with the Sponsor's investment eligibility criteria by conducting due diligence based on review of secondary information, discussions with, and information provided by, the relevant sellers or obligors of the infrastructure loan assets, which may include the E&S Management System, E&S compliance and liabilities, and labour standards of the relevant obligor, to ensure there are no material E&S concerns and the relevant obligors of such infrastructure loan assets adopt E&S standards that are consistent with market standard. All the Infra Loan Obligations are thoroughly assessed and evaluated by the Sponsor prior to their acquisition by the Sponsor as part of its investment and approval process before they are included in the Portfolio.

For more details on IFS E&SG, see the section entitled "*Description of the Sponsor and the Collateral Manager — IFS Business of the Sponsor — IFS E&SG*" of this Information Memorandum.

The Sponsor also has in place corporate-wide policies and guidelines which govern all aspects of its business activities. In addition, the Sponsor has also established the IFS CG for its IFS business which, together with the IFS RMG and the IFS RMR, provides for a structured approach to review, assess and evaluate compliance-related risks relating to infrastructure loan assets in any potential investment opportunities or those infrastructure loan assets already in the Sponsor's portfolio. All the Infra Loan

Obligations are thoroughly assessed and evaluated by the Sponsor prior to their acquisition by the Sponsor as part of its investment and approval process before they are included in the Portfolio.

For more details on the corporate governance of the Sponsor and specifically on the risk management and governance for the IFS business of the Sponsor, see sections entitled "*Description of the Sponsor and the Collateral Manager — Governance of the Group"* and *"Description of the Sponsor and the Collateral Manager — Risk Management — Risk management and governance of the IFS business*" of this Information Memorandum.

SGS Framework

The SGS Framework, which was first issued by the Sponsor in September 2022, demonstrates how the Sponsor intends to issue green, social and/or sustainability financing instruments. These instruments finance the purchase of green and/or social loans that meet the eligibility criteria stated in the SGS Framework. The Sponsor appointed DNV to provide a pre-issuance report relating to the Class A1-SU Notes. DNV has opined that the underlying projects of the Class A1-SU Notes meet the eligibility criteria established in the SGS Framework.

For more details on the SGS Framework, see sections entitled "*Risk Factors — Whilst the Class A1-SU Notes being issued seek to comply with the ICMA Green Bond Principles, the ICMA Social Bond Principles and the ICMA Sustainability Bond Guidelines, where relevant, they may not be a suitable investment for all investors seeking exposure to green, social or sustainability assets*".

Currency, Interest Rate and Repayment

All of the Infra Loan Obligations in the Portfolio are US Dollar-denominated floating rate loans or exposures, reflecting the US Dollar payment profile for interest and principal on the Notes. In selecting Infra Loan Obligations for the Portfolio, the Sponsor has assessed the adequacy of pricing for each of the Infra Loan Obligations with reference to the credit profile of the underlying project, the expected credit estimates or credit ratings assignable to each Infra Loan Obligation, and the presence of any applicable credit enhancement.

The Infra Loan Obligations in the Portfolio are generally subject to fixed loan repayment schedules but the Sponsor's selection criteria permit (subject to the credit profile of the relevant Infra Loan Obligation) a portion of the Infra Loan Obligations in the Portfolio to have certain repayment features, such as cash sweeps, balloon repayments and limited principal deferral mechanisms.

The aggregate principal amount of any single Infra Loan Obligations in the current Portfolio ranges from US$2.0 million to US$39.8 million.

Acquisition of the Portfolio

As at the date of this Information Memorandum, the Portfolio consists of 28 Infra Loan Obligations in respect of 26 projects, with an aggregate principal amount of US$423.3 million.

The Issuer acquired the Portfolio from the Sponsor and the Originating Banks for an aggregate purchase consideration of US$423.3 million (of which US$1.9 million relates to Undrawn Commitments, representing the Undrawn Commitment Amount, being 0.4 per cent. of the aggregate principal amount of the Infra Loan Obligations underlying the Portfolio of US$423.3 million). The Issuer has incurred the Warehouse Sponsor Loans, the principal amount of which will be repaid on the Closing Date (using the net proceeds from the issue of the Notes) and the Deferred IPA Interest and the Deferred IPA Income will be novated as payment obligations under the Closing Sponsor Loans Agreement instead. The funding made available under the Warehouse Sponsor Loan Deed was used to fund the acquisition of the Pre-funded ILOs.

The Issuer will apply the net proceeds from the issue of the Notes to repay all of the amounts then due and payable by the Issuer to the Sponsor under the Warehouse Sponsor Loan Deed on the Closing Date, pay the acquisition price for the Portfolio (except for the Infra Loan Obligations already acquired by the Issuer before with the proceeds made available pursuant to the Warehouse Sponsor Loan Deed) on the Closing Date, make a deposit equal to the Undrawn Commitment Amount in the Undrawn Commitment Account, and credit the remaining balance to the Interest Account.

Within the Portfolio:

(a) US$285.4 million in aggregate principal amount of Infra Loan Obligations (comprising 67.4 per cent. of the Infra Loan Obligations in the Portfolio) were acquired directly from HKMC pursuant to the Sponsor Purchase and Sale Agreement under which HKMC has agreed to transfer its rights and obligations by way of novation to the Issuer under each of the Infra Loan Obligations that are the subject of the Sponsor Purchase and Sale Agreement. In these instances, the Issuer will succeed to the rights and obligations of HKMC under the relevant Credit Documentation in respect of such Infra Loan Obligations and will be deemed to have the same rights against the underlying Obligors as each of the other lenders of the relevant Infra Loan Obligations;

(b) US$37.1 million in aggregate principal amount of Infra Loan Obligations (comprising 8.8 per cent. of the Infra Loan Obligations in the Portfolio) were acquired directly from Originating Banks with the proceeds made available pursuant to the Warehouse Sponsor Loan Deed, each pursuant to an Originating Bank Transfer Agreement, under which the relevant Originating Bank has agreed to transfer its rights and obligations by way of novation to the Issuer under the relevant Infra Loan Obligation. In these instances, the Issuer will succeed to the rights and obligations of the relevant Originating Banks under the relevant Credit Documentation in respect of such Infra Loan Obligations and will be deemed to have the same rights against the underlying Obligors as each of the other lenders of the relevant Infra Loan Obligations; and

(c) the remaining US$100.8 million in aggregate principal amount of Infra Loan Obligations (comprising 23.8 per cent. of the Infra Loan Obligations in the Portfolio) were not capable of being directly assigned or novated to the Issuer as a result of various factors such as contractual limitations and third-party consent requirements. In accordance with the Sponsor Collateral Acquisition Agreements, the Issuer will either (a) where HKMC held the loan as a funded participation, succeed to the rights and obligations of HKMC under the underlying participation agreements between HKMC and the relevant Eligible Originating Banks or (b) where the loan was able to be transferred to HKMC by way of novation, enter into a funded participation agreement with HKMC in respect of the relevant loan. These participation arrangements do not result in a contractual relationship between the Issuer and the Obligor of the underlying Infra Loan Obligations, and the Issuer will therefore only be able to enforce compliance by the Obligor with the terms of the relevant Credit Documentation in respect of such Infra Loan Obligations by acting (if such actions are permitted under the terms of the relevant participation agreements) through the relevant Originating Banks or HKMC (as applicable). See "*Risk Factors – Risks relating to the Portfolio – A portion of the Portfolio will consist of Participations, which have limited rights vis-à-vis Obligors and collateral compared with Novations*".

In the case of (a) above, the Issuer will be responsible for undrawn or partially drawn commitments that may be required to be funded in the future. The aggregate principal amount of such undrawn or partially drawn commitments is US$1.9 million. The relevant Infra Loan Obligations were acquired directly from the Sponsor by novation pursuant to the Sponsor Purchase and Sale Agreement, and the Issuer will have the obligation to make available the Undrawn Commitment to the Obligors. See "*Risk Factors — Risks relating to the Portfolio — As at the Closing Date, the Portfolio includes one Infra Loan Obligation where the Issuer has an unfunded lending commitment*".

Representations and Warranties

The Sponsor Purchase and Sale Agreement contains representations and warranties to be given by the Sponsor to the Issuer on the date of acquisition of each Infra Loan Obligation acquired by the Issuer from the Sponsor. Subject to agreed exceptions and materiality qualifications, the Sponsor's material asset representations and warranties in respect of Infra Loan Obligations acquired by the Issuer from the Sponsor will include warranties as to the following:

(a) that the Sponsor is, immediately prior to sale by it, the sole legal and beneficial title holder of and has good and marketable title to each Infra Loan Obligation;

(b) as at the Closing Date, that the Issuer will acquire each Infra Loan Obligation free and clear of any encumbrance; and

(c) that all amounts due and payable to the Sponsor under the related Credit Documentation and/or Participation Agreement have been paid and Sponsor as Seller has not at any time in the 12 months prior to the date of the Sponsor Purchase and Sale Agreement received from any agent under the relevant Credit Documentation or from the grantor under the relevant Participation Agreement notice of any event of default that has not been remedied or waived, other than as expressly disclosed to the Issuer.

Summary of the Portfolio

The following is a summary of certain information relating to the Portfolio as at the date of this Information Memorandum. The portfolio-level information below has been aggregated for all 28 Infra Loan Obligations in respect of 26 projects.

Aggregate outstanding commitment amount	US$423.3 million
Average loan commitment amount outstanding per Infra Loan Obligation	US$15.1 million
Average loan commitment amount outstanding per infrastructure project	US$16.3 million
Weighted average life	5.5 years
Weighted average spread	2.4%

Commitment amount outstanding per Infra Loan Obligation	Number of Infra Loan Obligations	Aggregate commitment amount outstanding	Percentage of aggregate commitment amount outstanding in Portfolio
(US$ million)		(US$ million)	
≤ 10	11	63.0	14.9%
10 ≤ 20	11	180.4	42.6%
20 ≤ 30	3	74.0	17.5%
30 ≤ 40	3	105.9	25.0%

Commitment amount outstanding per infrastructure project	Number of infrastructure projects	Aggregate commitment amount outstanding	Percentage of aggregate commitment amount outstanding in Portfolio
(US$ million)		(US$ million)	
≤ 10	10	63.0	14.9%
10 ≤ 20	9	146.4	34.6%
20 ≤ 30	3	74.0	17.5%
30 ≤ 40	4	139.9	33.1%

Moody's Rating Factor	Number of Infra Loan Obligations	Aggregate commitment amount outstanding	Percentage of aggregate commitment amount outstanding in Portfolio
		(US$ million)	
10 – 40 (Aa1 – Aa3)	1	18.0	4.3%
70 – 180 (A1 – A3)	5	79.1	18.7%
260 – 610 (Baa1 – Baa3)	7	160.3	37.9%
940 – 1766 (Ba1 – Ba3)	13	126.8	30.0%
2220 – 3490 (B1 – B3)	2	39.1	9.2%

Maturity (years)	Number of Infra Loan Obligations	Aggregate commitment amount outstanding	Percentage of aggregate commitment amount outstanding in Portfolio
		(US$ million)	
≤ 5	9	121.0	28.6%
5 ≤ 10	10	177.3	41.9%
10 ≤ 15	8	107.0	25.3%
15 ≤ 20	1	18.0	4.3%

Sub-Sectors	Number of Infra Loan Obligations	Aggregate commitment amount outstanding	Percentage of aggregate commitment amount outstanding in Portfolio
		(US$ million)	
Oil & Gas Distribution & Regasification	4	70.8	16.7%
Telecommunication	5	66.1	15.6%
LNG/Gas	4	54.0	12.7%
Conventional Power & Water	2	53.8	12.7%
Renewables	3	53.6	12.7%
Schools/Education	2	39.2	9.3%
FPSO	4	36.6	8.6%
Ports	1	29.5	7.0%
Energy Shipping	2	10.9	2.6%
Water Infrastructure	1	8.7	2.1%

Location of infrastructure project*	Aggregate commitment amount outstanding	Percentage of aggregate commitment amount outstanding in Portfolio
	(US$ million)	
United Arab Emirates	86.8	20.5%
India	71.0	16.8%
Southeast Asia (1)	51.0	12.0%
Mexico	39.8	9.4%
Latin America	36.6	8.6%
Saudi Arabia	34.0	8.0%
Qatar	19.8	4.7%
Australia	18.0	4.3%
Indonesia	16.0	3.8%
Vietnam	15.7	3.7%
China	11.7	2.8%
New Zealand	10.0	2.4%
United Kingdom	7.9	1.9%
South Korea	3.0	0.7%
Southeast Asia (2)	2.0	0.5%

**Note:* Infrastructure assets which are vessels have been categorised according to the location of the relevant offtaker

Location of risk*	Aggregate commitment amount outstanding	Percentage of aggregate commitment amount outstanding in Portfolio
	(US$ million)	
United Arab Emirates	86.8	20.5%
India	71.0	16.8%
Mexico	39.8	9.4%
Saudi Arabia	34.0	8.0%
Southeast Asia (1)	34.0	8.0%
Latin America	33.2	7.8%
Qatar	19.8	4.7%
Australia	18.0	4.3%
Indonesia	16.0	3.8%
Vietnam	15.7	3.7%
China	11.7	2.8%
New Zealand	10.0	2.4%
North America	8.8	2.1%
United Kingdom	7.9	1.9%
North Asia (1)	4.1	1.0%
North Asia (2)	4.1	1.0%
Europe (1)	3.4	0.8%
South Korea	3.0	0.7%
Europe (2)	1.9	0.4%
Southeast Asia (2)	0.1	0.0%

**Note:* Infrastructure assets which are vessels have been categorised according to the location of the relevant offtaker

Construction status	Number of Infra Loan Obligations	Aggregate commitment amount outstanding	Percentage of aggregate commitment amount outstanding in Portfolio
		(US$ million)	
Infrastructure projects in operations	27	389.3	92.0%
Infrastructure projects in construction	1	34.0	8.0%

Drawdown status	Aggregate commitment amount outstanding	Percentage of aggregate commitment amount outstanding in Portfolio
	(US$ million)	
Drawn	421.4	99.6%
Undrawn	1.9	0.4%

Ranking	Aggregate commitment amount outstanding	Percentage of aggregate commitment amount outstanding in Portfolio
	(US$ million)	
Senior	423.3	100%
Subordinated	0.0	0%

Performance	Aggregate commitment amount outstanding	Percentage of aggregate commitment amount outstanding in Portfolio
	(US$ million)	
Performing Infra Loan Obligation	423.3	100%
Defaulted Obligation	0.0	0%

DESCRIPTION OF THE COLLATERAL MANAGEMENT AND ADMINISTRATION AGREEMENT

The following description of the Collateral Management and Administration Agreement summarises certain provisions of the Collateral Management and Administration Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of the Collateral Management and Administration Agreement. Capitalised terms used in this section and not defined in this Information Memorandum shall have the meaning given to them in the Collateral Management and Administration Agreement.

General

The Issuer has appointed the Collateral Manager to provide certain investment management functions in accordance with the Collateral Management and Administration Agreement, and to perform certain administrative and advisory functions on behalf of the Issuer in accordance with the applicable provisions of the Collateral Management and Administration Agreement. The Issuer has, in the Collateral Management and Administration Agreement, delegated to the Collateral Manager the discretion to select and manage the Portfolio. In accordance with the Collateral Management and Administration Agreement, the Issuer shall delegate authority to the Collateral Manager to carry out certain of its functions in relation to the Portfolio without the requirement for specific approval by the Issuer.

Duties of the Collateral Manager

In accordance with the terms of the Collateral Management and Administration Agreement, the Collateral Manager will be responsible for the management of the Infra Loan Obligations, including, without limitation, selecting, acquiring, monitoring, managing and disposing of the Infra Loan Obligations, procuring and/or renewing any Risk Protection with respect to any Infra Loan Obligation (other than a Defaulted Obligation), investing in Eligible Fixed Deposits, exercising voting or other rights with respect to the Infra Loan Obligations, attending meetings and otherwise representing the interests of the Issuer in connection with the management of the Infra Loan Obligations, providing notices to and requesting, directing, disputing and approving action on the part of the Issuer, and certain related functions.

In accordance with the Collateral Management and Administration Agreement, the Collateral Manager is required to comply with all terms and conditions in the Collateral Management and Administration Agreement and to perform its obligations under the Transaction Documents with reasonable care, (i) using a degree of skill and attention no less than that which the Collateral Manager exercises with respect to comparable assets that it manages for itself and others having similar investment objectives and restrictions, and (ii) to the extent not inconsistent with limb (i) above, in a manner consistent with the Collateral Manager's customary standards, policies and procedures in performing duties under the Collateral Management and Administration Agreement or under any Transaction Document (the "**Standard of Care**").

The Collateral Manager and the Collateral Manager Related Parties shall not be liable (whether directly or indirectly, in contract or in tort or otherwise) to the Issuer, the Trustee, the Agents, the Account Bank, the Noteholders, the Secured Parties or any other Person for Liabilities incurred by the Issuer, the Trustee, the Agents, the Account Bank, the Noteholders, the Secured Parties or any other Person that arise out of or in connection with the performance by the Collateral Manager of its duties under the Collateral Management and Administration Agreement in accordance with the Standard of Care, **provided that** nothing shall relieve the Collateral Manager from liability to such Persons for Liabilities they may incur due to: (i) acts or omissions constituting fraud, wilful default or gross negligence (with such term given its meaning under English law) of the Collateral Manager in the performance, or reckless disregard, of its obligations under the Collateral Management and Administration Agreement or the terms of any other Transaction Document; (ii) the Sponsor and Collateral Manager Information containing untrue statement

of material fact, which makes statements therein, in the light of the circumstances under which they were made, misleading; or (iii) the Sponsor and Collateral Manager Information omitting to state a material fact, which makes statements therein, in the light of the circumstances under which they were made, misleading (each, a "**Collateral Manager Breach**"). In no event will the Collateral Manager be liable for any consequential loss.

The Issuer will indemnify the Collateral Manager (for itself and the other Relevant Parties) from and against any and all Liabilities incurred by the Collateral Manager or other Relevant Parties as a result of the actions taken, or for any acts or omissions by the Issuer, under or in connection with the Collateral Management and Administration Agreement or any other Transaction Document; **provided that** the Issuer will not indemnify the Collateral Manager or other Relevant Parties for any Liabilities incurred as a result of any Collateral Manager Breach. The Collateral Manager shall, subject to the provisions of the Collateral Management and Administration Agreement, indemnify and hold harmless the Issuer and the Trustee (for the benefit of itself, the Noteholders and the other Secured Parties) in the manner set out in the Collateral Management and Administration Agreement.

In accordance with the terms of the Collateral Management and Administration Agreement, the Issuer will be required to prepare certain reports with respect to the Infra Loan Obligations. The Transaction Administrator will assist the Issuer and the Collateral Manager in compiling these reports. The Collateral Manager has agreed, in the Collateral Management and Administration Agreement, that it will co-operate with the Transaction Administrator in the preparation of such reports.

The Collateral Manager shall seek Moody's Rating Factor updates on the Infra Loan Obligations from the Rating Agency at least 20 Business Days before each anniversary date of the Closing Date, and for such purposes shall provide in good faith all information, reports and documents required by the Rating Agency in order to provide the Moody's Rating Factor updates on the Infra Loan Obligations.

The Collateral Manager is not licenced to conduct Type 9 regulated activity (asset management) under the Securities and Futures Ordinance in Hong Kong. To the extent that the Portfolio comprises any securities (for the purpose of the Securities and Futures Ordinance), the Collateral Manager will use reasonable endeavours to promptly appoint a licenced manager to carry out the obligations of the Collateral Manager in relation to such securities to the extent they constitute Type 9 regulated activity for the purpose of the Securities and Futures Ordinance. Such licenced manager shall have all the power and authority given to the Collateral Manager under the Collateral Management and Administration Agreement to deal with such securities on behalf of the Issuer. The Collateral Manager shall not be relieved of any of its duties by the third parties employed by the Collateral Manager for such purpose regardless of the performance of services by such third parties.

Sale of Infra Loan Obligations

The Collateral Manager, acting on behalf of the Issuer, may, always in accordance with the Management Criteria, sell any Infra Loan Obligation that has become a Defaulted Obligation, a Credit Risk Obligation or is otherwise reasonably expected to become credit impaired in the reasonable opinion of the Collateral Manager, **provided that** in relation to the sale of a Credit Risk Obligation only, the aggregate principal amount of all Credit Risk Obligations that are so disposed of by the Collateral Manager does not exceed 30 per cent. of the Collateral Principal Amount (calculated as of the Closing Date) in any given 12 month period. Any sale of Credit Risk Obligations exceeding such threshold shall be subject to a Rating Agency Confirmation.

In addition, the Collateral Manager, may, acting on behalf of the Issuer, at its sole discretion, sell (i) during the Reinvestment Period and prior to the redemption in full of the Class A1-SU Notes, any Infra Loan Obligation that is not an Eligible Sustainability Infra Loan Obligation (a "**Non-Eligible Sustainability Infra Loan Obligation**"), **provided that** the Collateral Manager shall use reasonable endeavours to use the Disposal Proceeds of such Infra Loan Obligation to purchase one or more Eligible Sustainability Infra Loan Obligations and (where the purchase price of such Eligible Sustainability Infra Loan Obligations is less than the Disposal Proceeds) the remaining amount of such Disposal Proceeds shall be applied in accordance with the applicable Priority of Payments, or (ii) at any time any Infra Loan Obligation that is subject to or, in the sole opinion of the Collateral Manager, will be subject to a Collateral Tax Event.

No such sale of an Infra Loan Obligation shall be permitted if such sale would either (i) result in a breach of a Coverage Test, or (ii) where a Coverage Test was already breached prior to such sale, result in a further deterioration in such Coverage Test.

Any Disposal Proceeds (other than accrued interest on such Infra Loan Obligations included in Interest Proceeds by the Collateral Manager) received in connection with a sale conducted by the Collateral Manager in accordance with the paragraphs above may be used for purchase of Reinvestment Infra Loan Obligations during the Reinvestment Period, subject to such Reinvestment Infra Loan Obligations satisfying the Reinvestment Criteria, or credited to the Principal Account pending such purchase.

Reinvestment of Infra Loan Obligations

The Infra Loan Obligations in the Portfolio are expected to remain relatively stable on, and from, the Closing Date. The Collateral Manager is only permitted to purchase Reinvestment Infra Loan Obligations during the Reinvestment Period in certain limited circumstances. Such circumstances include the early repayment of an Infra Loan Obligation in full during the Reinvestment Period, the cancellation of an Undrawn Commitment (or the expiry of the availability period relating to an Undrawn Commitment) during the Reinvestment Period, where an Infra Loan Obligation has become a Refinancing Infra Loan Obligation, where an Infra Loan Obligation has been sold because it has become a Defaulted Obligation or a Credit Risk Obligation, or was reasonably expected to become credit impaired in the reasonable opinion of the Collateral Manager, or was otherwise subject to, or in the sole opinion of the Collateral Manager, will be subject to a Collateral Tax Event, or where a Non-Eligible Sustainability Infra Loan Obligation disposed of is to be replaced by one or more Eligible Sustainability Infra Loan Obligations. Each Reinvestment Infra Loan Obligation must meet the Reinvestment Criteria and (in the case of Eligible Sustainability Infra Loan Obligations) constitutes an Eligible Asset as defined in the SGS Framework for inclusion in the Portfolio, thereby ensuring that any Reinvestment Infra Loan Obligations are calibrated to a similar quality as the Infra Loan Obligations that may from time to time be replaced. For the avoidance of doubt, any Reinvestment Infra Loan Obligation acquired by the Collateral Manager on behalf of the Issuer shall be subject to the restrictions relation to the loan securitization exclusion of the Volcker Rule.

"**Reinvestment Criteria**" with respect to an Infra Loan Obligation proposed for purchase by the Issuer using Reinvestment Proceeds in accordance with the Collateral Management and Administration Agreement, shall mean the criteria set out below:

(a) to the Collateral Manager's actual knowledge (without the need for inquiry or investigation), no Note Event of Default has occurred that is continuing at the time of such purchase;

(b) a Rating Agency Confirmation from the Rating Agency has been obtained by the Issuer (with a copy to the Collateral Manager) prior to the Infra Loan Obligation being purchased by the Issuer; and

(c) if the commitment to make such purchase occurs on or after the Closing Date (or, in the case of the Interest Coverage Tests, on or after the Determination Date occurring immediately prior to the second Notes Payment Date), the purchase of such Infra Loan Obligation by the Issuer will result in each Coverage Test being satisfied after giving effect to the settlement of such purchase,

provided that, for the avoidance of doubt, with respect to any Infra Loan Obligation for which the relevant trade date (as specified in the agreement pursuant to which the Issuer purchases such Infra Loan Obligation) has occurred during the Reinvestment Period but which settles after the expiry of the Reinvestment Period, the purchase of such Reinvestment Infra Loan Obligation shall be treated as a purchase made during the Reinvestment Period for purposes of the Trust Deed.

"**Eligible Sustainability Infra Loan Obligation**" means an Infra Loan Obligation that meets the Reinvestment Criteria and which constitutes an "Eligible Asset" as defined in the SGS Framework.

Risk Protection in respect of Infra Loan Obligations

Where an Infra Loan Obligation (other than a Defaulted Obligation) is, in the reasonable judgment of the Collateral Manager (which judgment shall not be called into question by any Person in consideration of any subsequent events), at risk of becoming a Credit Risk Obligation or is otherwise reasonably expected to become credit impaired, the Issuer or the Collateral Manager (acting on behalf of the Issuer) may, at any time, procure and/or renew any Risk Protection (including, without limitation, any insurance) in respect of such Infra Loan Obligation to protect the Issuer against the relevant risk or potential financial loss as it deems necessary and appropriate by applying any amount standing to the credit of the Risk Protection Reserve Account. If the amount standing to the credit of the Risk Protection Reserve Account is insufficient for the purpose of procuring and/or renewing a Risk Protection, the Collateral Manager (acting on behalf of the Issuer) may:

(a) if it reasonably considers that such procurement and/or renewal of any such Risk Protection may occur on or after a Notes Payment Date, on the Business Day prior to such Notes Payment Date, direct that an amount of the Interest Proceeds in respect of the relevant Due Period to be disbursed in accordance with the Priorities of Payments be paid into the Risk Protection Reserve Account on such Notes Payment Date; or

(b) otherwise, on any day and in accordance with the terms of the Closing Sponsor Loans Agreement, submit a utilisation request for the drawdown of a Risk Protection Sponsor Loan in any amount, providing the Transaction Administrator with a copy of such utilisation request and the Closing Sponsor Loan Agreement, **provided that** in respect of the first interest period thereunder only:

    (i) on the date that the Collateral Manager submits such utilisation request, the Collateral Manager shall request, in writing, the Calculation Agent (copied to the Transaction Administrator) to calculate the applicable interest rate in respect of such first interest period; and

    (ii) following such request, the Calculation Agent shall notify the Collateral Manager of the applicable interest rate by the Business Day after the date of such request.

The Collateral Manager may take any action which it, in its sole discretion, deems necessary or appropriate for the purpose of maintaining and making any claims under any Risk Protection procured, and terminate or sell any Risk Protection procured in accordance with the terms of the Collateral Management and Administration Agreement.

The Transaction Administrator shall in consultation with the Collateral Manager designate amounts received in respect of any Risk Protection procured by the Collateral Manager as Principal Proceeds or Interest Proceeds, as applicable, and the Issuer shall procure that such amounts are paid from the Collection Account into the Principal Account or Interest Account, as applicable.

Overpaid Amounts and Non-Waterfall Amounts

The Collateral Manager will determine whether any of the amounts standing to the credit of the Collection Account is an Overpaid Amount or a Non-Waterfall Amount and, if so determined by the Collateral Manager and notified to the Transaction Administrator in accordance with the Collateral Management and Administration Agreement, the Transaction Administrator shall direct the Account Bank to (x) return such Overpaid Amount or Non-Waterfall Amount to the relevant Person as soon as reasonably practicable and (y) in the meantime, continue to hold such Overpaid Amount, or as the case may be, such Non-Waterfall Amount in the Collection Account on account for such Person.

Transfer of Balances

All amounts standing to the credit of the Collection Account (to the extent that such amounts are not Interest Proceeds, Overpaid Amounts or Non-Waterfall Amounts as determined by the Collateral Manager and notified to the Transaction Administrator) and the Principal Account shall be transferred to the Payment Account and shall constitute Principal Proceeds on the Business Day prior to any redemption of the Notes in full, and all amounts standing to the credit of each of the Interest Account, the Collection Account (to the extent that such amounts are not Principal Proceeds, Overpaid Amounts or Non-Waterfall Amounts as determined by the Collateral Manager in accordance with the Collateral Management and Administration Agreement), the General Reserve Account and the Risk Protection Reserve Account shall be transferred to the Payment Account as Interest Proceeds on the Business Day prior to any redemption of the Notes in full.

Amendments to Infra Loan Obligations

The Issuer (or the Collateral Manager on the Issuer's behalf) may vote in favour of any Maturity Amendment so long as, after giving effect to such Maturity Amendment, (i) the Infra Loan Obligation Stated Maturity of the Infra Loan Obligation that is the subject of such Maturity Amendment is not later than the Maturity Date of the Notes, and (ii) the Aggregate Principal Balance of all Infra Loan Obligations in respect of which Maturity Amendments have been made (taking into account the Principal Balance of the Infra Loan Obligation that is the subject of the proposed Maturity Amendment) shall not exceed 10 per cent. of the aggregate Collateral Principal Amount measured as of the Closing Date (the "**Maturity Amendment Limit**"), although, for the avoidance of doubt, Aggregate Principal Balance of all Infra Loan Obligations that are or were the subject of Issuer Non-Voting Maturity Amendments shall be excluded from this calculation. For the purposes of this covenant, an "**Issuer Non-Voting Maturity Amendment**" shall mean any Maturity Amendment that is effected in relation to (x) an Infra Loan Obligation which has been acquired as a Participation, the terms of which provide that the Originating Bank or the Sponsor and not the Issuer will be entitled to vote its interests under such Participation, or (y) an Infra Loan Obligation in respect of which such Maturity Amendment was made notwithstanding a contrary vote from the Issuer, whether pursuant to a customary creditor voting process, a scheme of arrangement, or otherwise.

The Issuer (or the Collateral Manager on the Issuer's behalf) shall not consent to any Maturity Amendment which would result in the Maturity Amendment Limit being exceeded unless it obtains a Rating Agency Confirmation with respect to such Maturity Amendment.

Expiry of the Reinvestment Criteria Certification

Immediately preceding the end of the Reinvestment Period, the Collateral Manager will deliver to the Trustee and the Transaction Administrator a schedule of Infra Loan Obligations which the Issuer has agreed to purchase, but which have not yet been settled, and will certify to the Trustee that sufficient Principal Proceeds are available (including, for this purpose, cash on deposit in the Principal Account, any scheduled distributions of Principal Proceeds, as well as any Principal Proceeds that will be received by the Issuer from the sale of Infra Loan Obligations for which the trade date has already occurred, but for which the settlement date has not yet occurred) to effect the settlement of such Infra Loan Obligations.

Accrued Interest

Amounts included in the purchase price of any Infra Loan Obligation comprising accrued interest thereon may be paid from the Interest Account or the Principal Account at the discretion of the Collateral Manager (acting on behalf of the Issuer), but subject to the terms of the Collateral Management and Administration Agreement and Condition 3(j) (*Payments to and from the Accounts*). Notwithstanding the foregoing, in any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Infra Loan Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Infra Loan Obligation, which was purchased at the time of acquisition thereof with Principal Proceeds, shall be deposited into the Principal Account as Principal Proceeds.

Coverage Tests

The Coverage Tests will consist of the Class A/B Overcollateralisation Test, the Class C Overcollateralisation Test, the Class D Overcollateralisation Test, the Class A/B Interest Coverage Test, the Class C Interest Coverage Test and the Class D Interest Coverage Test.

The Coverage Tests will be used primarily to determine whether interest may be paid on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, or whether Interest Proceeds which would otherwise be used to pay interest on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes must instead be used to pay principal on the Notes in accordance with the relevant Priorities of Payments, in each case to the extent necessary to cause the Coverage Tests relating to the relevant Class of Notes to be met.

The Overcollateralisation Tests shall be satisfied on each Measurement Date, if the corresponding Overcollateralisation Ratio is at least equal to the percentage specified in the table below in relation to that Coverage Test.

The Interest Coverage Tests shall be satisfied on each Measurement Date occurring on and after the Determination Date immediately preceding the second Notes Payment Date, if the corresponding Interest Coverage Ratio is at least equal to the Trigger Level specified in the table below in relation to that Coverage Test.

Coverage Test	Ratio as at the Closing Date	Trigger level	Cushion
Class A/B Overcollateralisation Test	120.8%	115.7%	5.1%
Class C Overcollateralisation Test	114.1%	110.0%	4.1%
Class D Overcollateralisation Test	109.5%	106.4%	3.1%
Class A/B Interest Coverage Test	N/A	110.0%	N/A
Class C Interest Coverage Test	N/A	107.5%	N/A
Class D Interest Coverage Test	N/A	102.5%	N/A

Collateral Management Fees

As compensation for the performance of its obligations under the Collateral Management and Administration Agreement, the Collateral Manager (and/or, at its direction, a Collateral Manager Related Party) will be entitled to receive from the Issuer on each Notes Payment Date a management fee equal to 0.2 per cent. per annum (pro-rated for each Collateral Management Fee Due Period on the basis of a 360-day year and the actual number of days elapsed in such Collateral Management Fee Due Period) of the Collateral Principal Amount measured as of the first day of the Collateral Management Fee Due Period (or, if such day is not a Business Day, the next day which is a Business Day) immediately preceding such Notes Payment Date comprising (i) a senior collateral management fee of 0.1 per cent. per annum of the Collateral Principal Amount that is senior in payment priority to the Rated Notes but subordinated to taxes, certain fees and expenses of the Issuer in respect of each Collateral Management Fee Due Period in accordance with the Collateral Management and Administration Agreement (the "**Senior Collateral Management Fee**"); and (ii) a junior collateral Management Fee of 0.1 per cent. per annum of the Collateral Principal Amount that is subordinated to the Rated Notes in respect of each Collateral Management Fee Due Period in accordance with the Collateral Management and Administration Agreement (the "**Junior Collateral Management Fee**" and, together with the Senior Collateral Management Fee, the "**Collateral Management Fees**").

If amounts distributable on any Notes Payment Date in accordance with the Priorities of Payments are insufficient to pay the Senior Collateral Management Fee, the Junior Collateral Management Fee or the Deferred Collateral Management Amounts, as applicable, in full, then a portion of such Senior Collateral Management Fee, the Junior Collateral Management Fee or the Deferred Collateral Management Amounts, as applicable, equal to the shortfall will be deferred and will be payable on subsequent Notes Payment Dates on which funds are available therefor, according to the Priorities of Payments.

The Collateral Manager, in respect of any Senior Collateral Management Fee or Junior Collateral Management Fee due to be paid to it on a Notes Payment Date, may, in its sole discretion, elect to (i) defer any Senior Collateral Management Fee or Junior Collateral Management Fee, (ii) irrevocably waive any Senior Collateral Management Fee or Junior Collateral Management Fee, and/or (iii) direct the Issuer to pay any Senior Collateral Management Fee or Junior Collateral Management Fee, or any part thereof, to a Collateral Manager Related Party. Any amounts so deferred pursuant to (i) above or waived pursuant to (ii) above (the "**Deferred Collateral Management Fee**") shall be applied in accordance with the Priorities of Payments. To the extent that the Collateral Manager elects to defer all or a portion thereof, and later rescinds such deferral election, such deferred amounts, as applicable, will be payable on subsequent Notes Payment Dates in accordance with the Priorities of Payments.

Any due and unpaid Collateral Management Fees, including Deferred Collateral Management Fee, shall accrue interest at a rate per annum equal to six-month Term SOFR or, if a Payment Frequency Switch Event has occurred, three-month Term SOFR (in each case, calculated on the basis of a 360-day year and the actual number of days elapsed). Any amounts so waived pursuant to limb (ii) in the previous paragraph will cease to become due and payable and will not become due and payable at any time. Any amounts directed to be paid by the Collateral Manager to the Collateral Manager Related Party pursuant to limb (iii) in the previous paragraph will cease to become due and payable to the Collateral Manager upon proper receipt of those amounts by the nominated party.

In addition, the Collateral Manager, in respect of any Senior Collateral Management Fee due to be paid to it on a Notes Payment Date, may elect to designate for reinvestment in Reinvestment Infra Loan Obligations or redemption of Notes. If the Collateral Manager makes such election, any amount so designated shall be deposited in the Principal Account pending purchase of Reinvestment Infra Loan Obligations or redemption of Notes.

All ordinary expenses, costs, fees, taxes, out-of-pocket expenses and brokerage fees properly incurred (i) by the Collateral Manager in its capacity as the interim collateral manager for and on behalf of the Issuer prior to the Closing Date in respect of the acquisition of any Loan Asset (as defined in the Warehouse Sponsor Loan Deed) (which subsequently becomes an Issuer Portfolio Asset (as defined in the Warehouse Sponsor Loan Deed)) and any Issuer Portfolio Asset or, in connection with the execution of, or registration with the Companies Registry of Hong Kong for the creation or release of the security under, the Warehouse Security Deed (including without limitation any registration fees, stamp duties and other taxes), and (ii) by the Collateral Manager in its capacity as such in the performance of its obligations under the Collateral Management and Administration Agreement (including, but not limited to, all reasonable expenses incurred by it on behalf of the Issuer to employ external advisers or consultants reasonably necessary in connection with the default or restructuring of any Infra Loan Obligation, or other extraordinary expenses arising in the performance of its duties under the Collateral Management and Administration Agreement and the Conditions) shall be reimbursed in full (together with any irrecoverable value-added tax or equivalent tax thereon) by the Issuer to the Collateral Manager as Administrative Expenses to the extent funds are available therefor in accordance with, and subject to the limitations contained, in the Conditions and the Priorities of Payment.

Fees payable to, and costs and expenses of, the Collateral Manager, shall accrue up to the date on which the Collateral Manager's appointment is terminated or the Collateral Manager resigns its appointment, as described further below. If the Collateral Management and Administration Agreement is terminated in accordance with the terms thereof or otherwise, the Senior Collateral Management Fee and the Junior Collateral Management Fee calculated as provided in the Collateral Management and Administration Agreement shall be pro-rated for any partial periods between Notes Payment Dates during which the Collateral Management and Administration Agreement was in effect, and shall be due and payable on the first Notes Payment Date following the date of such termination subject to the Priorities of Payments. For the avoidance of doubt, where the Collateral Manager has resigned or has been removed but is required to continue providing collateral management services until a successor has been appointed in accordance with the terms herein, the Collateral Manager shall continue to be entitled to the Collateral Management Fees and any costs and expenses of the Collateral Manager reimbursable in accordance with the terms of the Collateral Management and Administration Agreement.

Termination of the Collateral Management and Administration Agreement

Subject to the paragraph below, the Collateral Management and Administration Agreement may be terminated, and the Collateral Manager may be removed, upon the occurrence of a Collateral Manager For Cause Event (i) at the Issuer's discretion; (ii) by the Trustee (subject to being indemnified and/or secured and or prefunded to its satisfaction), at the direction of the Controlling Class (acting by Extraordinary Resolution); or (iii) by the holders of the Subordinated Notes acting by Extraordinary Resolution, in each case upon 30 days' prior written notice, **provided that** notice of such removal shall have been given to the holders of each Class of the Notes by the Issuer or the Trustee, as the case may be, in accordance with the Collateral Management and Administration Agreement.

In accordance with the terms of the Collateral Management and Administration Agreement, if the Collateral Manager becomes aware that a Collateral Manager For Cause Event has occurred, the Collateral Manager will be required to give prompt written notice thereof to the Issuer, the Trustee, the Transaction Administrator, the Noteholders and the Rating Agency with respect to the Rated Notes upon the Collateral Manager becoming aware of the occurrence of such Collateral Manager For Cause Event.

The Collateral Management and Administration Agreement will automatically terminate upon the earliest to occur of (i) the payment in full of the Notes, in accordance with their terms, (ii) the liquidation of the Portfolio and the final distribution of the proceeds of such liquidation as provided in the Transaction Documents, and (iii) the failure by the Issuer to issue the Notes by the Closing Date.

Any of the following events shall constitute a "**Collateral Manager For Cause Event**":

(i) that the Collateral Manager wilfully violated any material provision of the Collateral Management and Administration Agreement or any material provision of any other Transaction Document to which it is a party, or took any action which it knew was in material breach of any provision (unrelated to the economic performance of the Infra Loan Obligations) of the Collateral Management and Administration Agreement or any other Transaction Document applicable to it;

(ii) that the Collateral Manager breached in any respect any material provision of the Collateral Management and Administration Agreement as is applicable to it (other than as specified in paragraph (i) above), which breach:

(A) has a material adverse effect on the Issuer or the interests of the Noteholders of any Class; and

(B) if capable of being cured, is not cured within 30 days of the Collateral Manager becoming aware of or the Collateral Manager receiving notice from the Trustee of such breach or, if such breach is not capable of cure within 30 days but is capable of being cured within a longer period, the Collateral Manager fails to cure such breach within the period in which a reasonably prudent Person could cure such breach (but in no event more than 60 days). Upon becoming aware of any such breach, the Collateral Manager shall give written notice thereof to the Issuer and the Trustee;

(iii) the Collateral Manager is wound up or dissolved (other than pursuant to a consolidation, amalgamation or merger) or there is appointed over it or a substantial part of its assets a liquidator, receiver, administrator, administrative receiver, trustee or similar officer; or the Collateral Manager (A) ceases to be able to, or admits in writing that it is unable to, pay its debts as they become due and payable, or makes a general assignment for the benefit of, or enters into any composition or arrangement with, its creditors generally; (B) applies for or consents (by admission of material allegations of a petition or otherwise) to the appointment of a liquidator, receiver, administrator, trustee, assignee, custodian or sequestrator (or other similar official) of the Collateral Manager or of any substantial part of its properties or assets, or authorises such an application or consent, or proceedings seeking such appointment are commenced against the Collateral Manager without such authorisation, consent or application and either continue undismissed for 45 days, or any such appointment is ordered by a court or regulatory body having jurisdiction; (C) authorises or files a voluntary petition in bankruptcy, or applies for or consents (by admission of material allegations of a petition or otherwise) to the application of any bankruptcy, reorganisation, arrangement, readjustment of debt, insolvency, dissolution, or similar law, or authorises such application or consent, or proceedings to such end are instituted against the Collateral Manager without such authorisation, application or consent and remain undismissed for 45 days or result in adjudication of bankruptcy or insolvency or the issuance of an order for relief; or (D) permits or suffers all or any substantial part of its properties or assets to be sequestered or attached by court order and the order remains undismissed for 45 days;

(iv) the occurrence of a Note Event of Default specified in paragraph (a)(i) (*Non-payment of Interest*) or paragraph (a)(ii) (*Non-payment of Principal*) of Condition 10 (*Note Events of Default*), which default is directly the result of any act or omission of the Collateral Manager resulting from a breach of the Collateral Manager's duties under the Collateral Management and Administration Agreement or any other Transaction Document, which breach or default is not cured within any applicable cure period set forth in the Conditions;

(v) any action is taken by the Collateral Manager (or any senior officer of the Collateral Manager involved in the management of the Infra Loan Obligations) that constitutes fraud or criminal activity in the performance of the Collateral Manager's obligations under the Collateral Management and Administration Agreement or its other collateral management activities, or the Collateral Manager being found guilty of having committed a criminal offence materially related to the management of investments similar in nature and character to those which comprise the Collateral; or

(vi) any legal, regulatory or other authorisations which are necessary for the performance of the Collateral Manager's obligations under any applicable laws are not in place, or the performance by the Collateral Manager in accordance with the Collateral Management and Administration Agreement and the other Transaction Documents is in breach of any applicable laws, except for those jurisdictions in which the failure to be so qualified, authorised or licensed would not have a material adverse effect on the business, operations, assets or financial condition of the Collateral Manager or on the ability of the Collateral Manager to perform its obligations under, or on the validity or enforceability of, the Collateral Management and Administration Agreement.

Resignation

The Collateral Manager may resign, upon 90 days' (or such shorter notice as is acceptable to the Issuer) written notice to the Issuer, the Trustee, the Transaction Administrator and the Rating Agency.

Notwithstanding any of the foregoing, no resignation or removal of the Collateral Manager, for cause or without cause, will be effective until the date as of which a successor collateral manager has been appointed as described below, and has accepted all of the Collateral Manager's duties and obligations in writing.

Appointment of Successor

Upon any removal or resignation of the Collateral Manager (except in the circumstances where it has become illegal for the Collateral Manager to carry on its duties hereunder), the Collateral Manager will continue to act in such capacity until a successor collateral manager has been appointed in accordance with the terms of the Collateral Management and Administration Agreement.

Within 120 days of the resignation, termination or removal of the Collateral Manager while any of the Notes are outstanding, the holders of the Subordinated Notes (acting by Extraordinary Resolution) may propose a successor collateral manager by delivering notice thereof to the Issuer, the Trustee and the Noteholders. The Controlling Class (acting by Ordinary Resolution) may, within 30 days from receipt of such notice, object to such successor collateral manager by delivery of notice of such objection in accordance with the Conditions. If no notice of objection is received by the Issuer and the Trustee within such time period, such proposed successor collateral manager will be appointed Collateral Manager by the Issuer. If the holders of the Subordinated Notes (acting by Extraordinary Resolution) make no such proposal within such 120 day period, the Controlling Class (acting by Ordinary Resolution) may propose a successor collateral manager by delivering notice thereof to the Issuer, the Trustee and the Noteholders, **provided that** no such proposed successor collateral manager may be an Affiliate of a holder of the Controlling Class. The holders of the Subordinated Notes (acting by Extraordinary Resolution) may, within 30 days from receipt of such notice, object to such successor collateral manager by delivery of notice of such objection to the Issuer and the Trustee. If no notice of objection is received by the Issuer and the Trustee within such time period, such proposed successor collateral manager will be appointed Collateral Manager by the Issuer. Within 30 days of receipt of notice of any such objection, either the Controlling Class (acting by Ordinary Resolution) or the holders of the Subordinated Notes (acting by Extraordinary Resolution) may propose a successor collateral manager by written notice to the Trustee, the Issuer and the Noteholders, and either the Controlling Class (acting by Ordinary Resolution) or the

holders of the Subordinated Notes (acting by Extraordinary Resolution) may, within 30 days from receipt of such notice, deliver to the Issuer and the Trustee notice of objection thereto. If no notice of objection is received by the Issuer and the Trustee within such time period, such proposed successor collateral manager will be appointed Collateral Manager by the Issuer. If a notice of objection is received within 30 days, then either group of Noteholders may again propose a successor collateral manager in accordance with the foregoing.

Notwithstanding the above, if no successor collateral manager has been appointed within 150 days following the date of resignation, termination or removal of the Collateral Manager, the Issuer will appoint a successor collateral manager proposed by the Controlling Class (acting by Ordinary Resolution) so long as such successor collateral manager (i) is not a Person that was previously objected to by the holders of the Subordinated Notes (acting by Extraordinary Resolution) and (ii) is not an Affiliate of a holder of the Controlling Class.

Any replacement Collateral Manager must satisfy the conditions described below under "*Successor Requirements*" and will be subject to notification to the Rating Agency by or on behalf of the Issuer of such appointment.

Assignment by Collateral Manager

The Collateral Management and Administration Agreement provides that, except as described in the following paragraphs, no material rights or obligations under the Collateral Management and Administration Agreement (or any interest therein) may be assigned or delegated by the Collateral Manager. In addition, no such assignment or delegation by the Collateral Manager will be effective if such assignment is to a transferee that does not qualify as an eligible successor as described below under "*Successor Requirements*".

The Collateral Manager is permitted to assign its material rights and delegate its material responsibilities under the Collateral Management and Administration Agreement to any transferee or delegate so long as (i) such assignment or delegation is consented to by the Issuer, the Controlling Class (acting by Ordinary Resolution) and the holders of the Subordinated Notes (acting by Extraordinary Resolution), in each case in writing, (ii) the Rating Agency has confirmed in writing that the then-current rating assigned by such Rating Agency to any of the Notes will not be reduced, withdrawn or qualified as a result of such assignment or delegation, (iii) such assignee or transferee or delegate has the requisite Hong Kong regulatory capacity to provide the services provided under the Collateral Management and Administration Agreement to Hong Kong residents, such as the Issuer, or (iv) such assignment or delegation will not cause the Issuer to become chargeable to taxation outside of its place of incorporation or the Collateral Management Fees becoming subject to any sales tax, value added tax or any similar taxes.

In addition, notwithstanding the above, the Collateral Manager is permitted to assign and/or delegate any or all of its rights or duties under the Collateral Management and Administration Agreement to (i) any Affiliate of the Collateral Manager without the consent of the Issuer, the Noteholders or any other Person; **provided that** such Affiliate: (i) is legally qualified and has the Hong Kong regulatory capacity to act as collateral manager under the Collateral Management and Administration Agreement; (ii) employs the principal personnel performing the duties required under the Collateral Management and Administration Agreement prior to such assignment or transfer; and (iii) is someone the appointment and conduct of which will not cause the Issuer to become chargeable to taxation outside its jurisdiction of incorporation, result in the Collateral Management Fees becoming subject to any additional tax, or cause any other material adverse tax consequences to the Issuer.

Any corporation, partnership or limited liability company into which the Collateral Manager may be merged or converted, or with which it may be consolidated, or any corporation, partnership or limited liability company resulting from any merger, conversion or consolidation to which the Collateral Manager will be a party, or any corporation, partnership or limited liability company succeeding to all or substantially all of the collateral management business of the Collateral Manager, will be the successor to the Collateral Manager without any further action by the Collateral Manager, the Issuer, the Trustee, the Noteholders or any other Person or entity; **provided that** the resulting entity qualifies as an eligible successor as described below under "*Successor Requirements*".

Any assignment in accordance with the Collateral Management and Administration Agreement will bind the assignee in the same manner as the Collateral Manager is bound. Upon the execution and delivery of a counterpart of the Collateral Management and Administration Agreement by the assignee, the Collateral Manager will be released from further obligations under the Collateral Management and Administration Agreement, except with respect to (i) its agreements and obligations arising under various sections of the Collateral Management and Administration Agreement in respect of acts or omissions occurring prior to such assignment, and (ii) its obligations under the Collateral Management and Administration Agreement in respect of acts upon termination. Any rights of the Collateral Manager stated to survive the termination of the Collateral Management and Administration Agreement, shall remain vested in the Collateral Manager after the termination in accordance with the terms of the Collateral Management and Administration Agreement.

Successor Requirements

Any removal or resignation of the Collateral Manager or termination of the Collateral Management and Administration Agreement, as described above, that occurs while any Notes are outstanding under the Trust Deed will be effective only if (i) Rating Agency Confirmation has been received from the Rating Agency in respect of such termination and assumption by an eligible successor, and (ii) the Issuer appoints a successor collateral manager (1) that has demonstrated an ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager under the Collateral Management and Administration Agreement with a substantially similar (or higher) level of expertise, (2) that is legally qualified and has the capacity (including Hong Kong regulatory capacity to provide collateral management services to Hong Kong counterparties as a matter of the laws of Hong Kong) to act as Collateral Manager under the Collateral Management and Administration Agreement, as successor to the Collateral Manager under the Collateral Management and Administration Agreement in the assumption of all of the responsibilities, duties and obligations of the Collateral Manager under the Collateral Management and Administration Agreement, and (3) that will perform its duties as Collateral Manager under the Collateral Management and Administration Agreement without causing the Issuer or the Noteholders to become subject to tax in any jurisdiction where such successor collateral manager is established or doing business, and the appointment and conduct of which will not cause the Issuer to become subject to any Hong Kong tax liability or cause any other material adverse tax consequences to the Issuer.

No Voting Rights

Any Notes held by or on behalf of the Collateral Manager or any Collateral Manager Related Party shall have no voting rights with respect to, and shall not be counted for the purposes of determining, a quorum and the results of any CM Removal Resolution and/or CM Replacement Resolution (but shall carry a right to vote and be so counted in all matters other than a CM Removal Resolution and/or a CM Replacement Resolution). The Collateral Manager will notify the Trustee of any such holdings on request.

DESCRIPTION OF THE TRANSACTION ADMINISTRATOR

The information appearing in this section has been prepared by the Transaction Administrator, and has not been independently verified by the Sponsor, the Collateral Manager, the Issuer, any of the Sole Global Coordinator and the Joint Bookrunners, or any other party. The Issuer confirms that this information has been correctly reproduced in all material respects and, as far as the Issuer is aware and is able to ascertain from information from the Transaction Administrator, no facts have been omitted which would render the reproduced information incorrect or misleading in any material respect. No party other than the Transaction Administrator assumes any responsibility for the accuracy or completeness of such information.

Description

Deutsche Bank Aktiengesellschaft ("**Deutsche Bank**" or the "**Bank**") is a joint stock corporation with limited liability incorporated in the Federal Republic of Germany under registration number HRB 30 000. The Bank has its registered office in Frankfurt am Main, Germany. It maintains its head office at Taunusanlage 12, 60325 Frankfurt am Main and branch offices in Germany and abroad including an Asia-Pacific Head Office in Singapore. For the purpose of this transaction, the Bank acting through its branch in Hong Kong (known as "**Deutsche Bank AG, Hong Kong Branch**") having its principal place of business at Level 60, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong acting as the Transaction Administrator.

Termination and Resignation of Appointment of the Transaction Administrator

In accordance with the Collateral Management and Administration Agreement, the Transaction Administrator may be removed: (a) without cause at any time upon at least 120 days' prior written notice; or (b) with cause upon at least 10 days' prior written notice by (i) the Issuer at its discretion, or (ii) the Trustee acting upon the written directions of the Controlling Class acting by way of Extraordinary Resolution and subject to the Trustee being secured and/or indemnified and/or prefunded to its satisfaction. In addition, the Transaction Administrator may also resign its appointment without cause on at least 45 days' prior written notice and with cause upon at least 10 days' prior written notice to the Issuer, the Trustee and the Collateral Manager. No resignation or removal of the Transaction Administrator will be effective until a successor transaction administrator has been appointed in accordance with the terms of the Collateral Management and Administration Agreement.

DESCRIPTION OF THE TRUSTEE

The information appearing in this section has been prepared by the Trustee and has not been independently verified by the Sponsor, the Collateral Manager, the Issuer, any of the Sole Global Coordinator and the Joint Bookrunners, or any other party. The Issuer confirms that this information has been correctly reproduced in all material respects and, as far as the Issuer is aware and is able to ascertain from information from the Trustee, no facts have been omitted which would render the reproduced information correct or misleading in any material respect. No party other than the Trustee assumes any responsibility for the accuracy or completeness of such information.

Description

DB Trustees (Hong Kong) Limited ("**Company**") is a company incorporated under the laws of Hong Kong under business registration number 09541340. It has its registered office at Level 60, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong. The principal activity of the Company is the provision of trustee services. The Company is an associated entity of Deutsche Bank AG, Hong Kong Branch under the Securities and Future Ordinance.

Trustee's Retirement and Removal

In accordance with the terms of the Trust Deed, the Trustee may be removed: (a) if so directed by an Extraordinary Resolution of the Controlling Class for the time being of this Trust Deed on not less than 30 days' prior written notice upon the occurrence of events as prescribed in the Trust Deed or (b) the Issuer shall, if so directed by an Extraordinary Resolution of the Controlling Class, remove any trustee or trustees for the time being of this Trust Deed on not less than 90 days' prior written notice. In addition, the Trustee may also retire at any time on giving not less than 60 days' prior written notice to the Issuer and, so long as any of the Rated Notes remains Outstanding, each such Rating Agency without giving any reason and without being responsible for any Liabilities incurred by reason of such retirement.

DESCRIPTION OF THE REPORTS

Quarterly Report

Prior to the occurrence of a Payment Frequency Switch Event, the Transaction Administrator, on behalf, and at the expense, of the Issuer and in consultation with the Collateral Manager, shall render an accounting report (including portfolio data) 13 Business Days after 30 June and 31 December of each calendar year prior to the Maturity Date (the "**Quarterly Report**"), commencing on 21 January 2025, prepared and determined as of (and including) each Determination Date. Each Quarterly Report shall be made available by the Transaction Administrator on behalf of the Issuer at https://tss.sfs.db.com/investpublic and by the Sponsor at the Sponsor's website at https://www.hkilbs.com.hk (or such other website as may be notified in writing by the Transaction Administrator to the Collateral Manager, the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, each Rating Agency and the Noteholders from time to time). Each Quarterly Report shall contain the following information:

Portfolio

(a) the Aggregate Principal Balance of the Infra Loan Obligations representing Principal Proceeds;

(b) the Aggregate Principal Balance of the Infra Loan Obligations as of the close of business on such Determination Date, after giving effect to (i) Principal Proceeds received on the Infra Loan Obligations with respect to the related Due Period and the reinvestment of such Principal Proceeds in Reinvestment Infra Loan Obligations during such Due Period, if any, and (ii) the purchase and disposal of any Infra Loan Obligations during such Due Period;

(c) the Aggregate Principal Balance of the Infra Loan Obligations which are Eligible Sustainability Infra Loan Obligations as at the close of business on such Determination Date;

(d) the Collateral Principal Amount of the Infra Loan Obligations;

(e) the Adjusted Collateral Principal Amount of the Infra Loan Obligations;

(f) subject to any confidentiality obligations binding on the Issuer, a list of, respectively, the Infra Loan Obligations and Current Pay Obligations indicating the Principal Balance and Obligor of each;

(g) subject to any confidentiality obligations binding on the Issuer, in respect of each Infra Loan Obligation and/or Current Pay Obligations, its Principal Balance, Obligor, facility, Infra Loan Obligation Stated Maturity, Obligor, the Domicile (as defined in the Collateral Management and Administration Agreement) of the Obligor, currency and whether it is a PF Infrastructure Obligation (as defined in the Collateral Management and Administration Agreement) or a corporate loan;

(h) subject to any confidentiality obligations binding on the Issuer, the number, identity and, if applicable, Principal Balance of, respectively, any Infra Loan Obligations that were released for sale or other disposition (specifying the reason for such sale or other disposition and the clause or paragraph of the Collateral Management and Administration Agreement pursuant to which such sale or other disposition was made), the Aggregate Principal Balances of Infra Loan Obligations released for sale or other disposition by the Collateral Manager in accordance with the terms of the Collateral Management and Administration Agreement (expressed as a percentage of the Adjusted Collateral Principal Amount and measured at the Determination Date), and the sale price thereof and identity of any of the purchasers thereof (if any) that are Affiliated with the Collateral Manager;

(i) subject to any confidentiality obligations binding on the Issuer, the purchase or sale price of each Infra Loan Obligation or Reinvestment Infra Loan Obligation acquired by the Issuer and in which the Issuer has granted a security interest to the Trustee, and each Infra Loan Obligation sold by the Issuer since the Determination Date, and the identity of the purchasers or sellers thereof, if any, that are either the Collateral Manager or any Person which is Affiliated with the Issuer or the Collateral Manager;

(j) subject to any confidentiality obligations binding on the Issuer, the identity of each Infra Loan Obligation which became a Defaulted Obligation;

(k) the approximate Market Value of the Defaulted Obligations and Caa Obligations as provided by the Collateral Manager;

(l) the Aggregate Principal Balance of Infra Loan Obligations comprising Participations in respect of which neither the Sponsor nor the Issuer is the lender of record;

(m) a breakdown of any outstanding commitments under the Infra Loan Obligations by risk grade;

(n) a breakdown of any outstanding commitments under the Infra Loan Obligations by exposure to location of project, location of risk and industry; and

(o) a breakdown of any outstanding commitments under the Infra Loan Obligations by their weighted average life;

Accounts

(a) the Balance standing to the credit of each of the Accounts and each Eligible Depository Account;

(b) the Principal Proceeds received during the related Due Period; and

(c) the Interest Proceeds received during the related Due Period;

Coverage Tests and Overcollateralisation Test

(a) a statement as to whether each of the Class A/B Overcollateralisation Test, the Class C Overcollateralisation Test and the Class D Overcollateralisation Test is satisfied, and details of the relevant Overcollateralisation Ratios;

(b) a statement as to whether each of the Class A/B Interest Coverage Test, the Class C Interest Coverage Test and the Class D Interest Coverage Test is satisfied, and details of the relevant Interest Coverage Ratios; and

(c) a statement as to whether the Class A Minimum Collateralisation Test is satisfied, and details of the Class A Overcollateralisation Ratio;

Payment Frequency Switch Event

a statement indicating whether a Payment Frequency Switch Event has occurred during the relevant Due Period;

Interest Rate Benchmarks

(a) the Asset Replacement Percentage; and

(b) the Aggregate Principal Balance of Infra Loan Obligations that bear interest based on (i) LIBOR; (ii) SOFR; or (iii) any other replacement benchmark rates;

Risk Retention

confirmation that the Transaction Administrator has received written confirmation (and upon which confirmation the Transaction Administrator shall be entitled to rely without further enquiry and without liability for so relying) from the Retention Holder that:

(a) it continues to hold the Subordinated Notes; and

(b) it has not sold, hedged or otherwise mitigated its credit risk under or associated with the Subordinated Notes or the underlying portfolio of Infra Loan Obligations, except to the extent permitted in accordance with the Risk Retention Requirements; and

Further information

any further information which the Collateral Manager and the Transaction Administrator agree in writing (which may be by email) should be included in each Quarterly Report.

Miscellaneous

For the purposes of the Quarterly Reports, obligations which are to constitute Infra Loan Obligations in respect of which the Issuer (or the Collateral Manager on behalf of the Issuer) has agreed to purchase, but which have not yet been settled, shall be included as Infra Loan Obligations as if such purchase had been completed and obligations in respect of which the Issuer (or the Collateral Manager on behalf of the Issuer) has agreed to sell, but in respect of which such sale has not yet settled, shall be excluded from being Infra Loan Obligations as if such sale had been completed.

Each Quarterly Report shall state that it is for the purposes of information only, that certain information included in the report is estimated, approximated or projected and that it is provided without any representations or warranties as to the accuracy or completeness thereof and that none of the Transaction Administrator, the Trustee, the Issuer, the Collateral Manager, the Sole Global Coordinator, the Joint Bookrunners or any other party will have any liability for estimates, approximations or projections contained therein. For the avoidance of doubt, the Sole Global Coordinator and the Joint Bookrunners have no responsibility for any Quarterly Report.

In addition, the Transaction Administrator shall provide the Issuer with such other information and in such a format relating to the Portfolio as the Issuer may reasonably request and which is in the possession of the Transaction Administrator, in order for the Issuer to satisfy its obligation in respect of the preparation of its financial statements (including audits thereof) and tax returns.

Payment Date Report

The Transaction Administrator, on behalf, and at the expense, of the Issuer and in consultation with the Collateral Manager, shall render an accounting report (including portfolio data) on the Business Day preceding the related Notes Payment Date (the "**Payment Date Report**"), prepared and determined as of (and including) each Determination Date. Each Payment Date Report shall be made available by the Transaction Administrator on behalf of the Issuer at https://tss.sfs.db.com/investpublic and by the Sponsor at the Sponsor's website at https://www.hkilbs.com.hk (or such other website as may be notified in writing by the Transaction Administrator to the Collateral Manager, the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, each Rating Agency and the Noteholders from time to time). Upon issue of each Payment Date Report, the Issuer shall notify the SEHK of such Payment Date Report which includes the Principal Amount Outstanding of each Class of Notes, after giving effect to the principal payments, if any, on the next Notes Payment Date. Each Payment Date Report shall contain the following information:

Portfolio

(a) the Aggregate Principal Balance of the Infra Loan Obligations representing Principal Proceeds;

(b) the Aggregate Principal Balance of the Infra Loan Obligations as of the close of business on such Determination Date, after giving effect to (i) Principal Proceeds received on the Infra Loan Obligations with respect to the related Due Period and the reinvestment of such Principal Proceeds in Reinvestment Infra Loan Obligations during such Due Period, if any, and (ii) the purchase and disposal of any Infra Loan Obligations during such Due Period;

(c) the Aggregate Principal Balance of the Infra Loan Obligations which are Eligible Sustainability Infra Loan Obligations as at the close of business on such Determination Date;

(d) the Collateral Principal Amount of the Infra Loan Obligations;

(e) the Adjusted Collateral Principal Amount of the Infra Loan Obligations;

(f) subject to any confidentiality obligations binding on the Issuer, a list of, respectively, the Infra Loan Obligations and Current Pay Obligations indicating the Principal Balance and Obligor of each;

(g) subject to any confidentiality obligations binding on the Issuer, in respect of each Infra Loan Obligation, its Principal Balance, facility, Infra Loan Obligation Stated Maturity, Obligor, the Domicile of the Obligor currency and whether it is a PF Infrastructure Obligation or a corporate loan;

(h) subject to any confidentiality obligations binding on the Issuer, the number, identity and, if applicable, Principal Balance of, respectively, any Infra Loan Obligations that were released for sale or other disposition (specifying the reason for such sale or other disposition and the clause or paragraph of the Collateral Management and Administration Agreement pursuant to which such sale or other disposition was made), the Aggregate Principal Balances of Infra Loan Obligations released for sale or other disposition by the Collateral Manager in accordance with the terms of the Collateral Management and Administration Agreement (expressed as a percentage of the Adjusted Collateral Principal Amount and measured at the Determination Date) and the sale price thereof and identity of any of the purchasers thereof (if any) that are Affiliated with the Collateral Manager;

(i) subject to any confidentiality obligations binding on the Issuer, the purchase or sale price of each Infra Loan Obligation or Reinvestment Infra Loan Obligation acquired by the Issuer and in which the Issuer has granted a security interest to the Trustee, and each Infra Loan Obligation sold by the Issuer since the Determination Date, and the identity of the purchasers or sellers thereof, if any, that are Affiliated with the Issuer or the Collateral Manager;

(j) subject to any confidentiality obligations binding on the Issuer, the identity of each Infra Loan Obligation which became a Defaulted Obligation;

(k) the approximate Market Value of the Defaulted Obligations and Caa Obligations as provided by the Collateral Manager;

(l) the Aggregate Principal Balance of Infra Loan Obligations comprising Participations in respect of which neither the Sponsor nor the Issuer is the lender of record;

(m) a breakdown of any outstanding commitments under the Infra Loan Obligations by risk grade;

(n) a breakdown of any outstanding commitments under the Infra Loan Obligations by exposure to location of project, location of risk and industry; and

(o) a breakdown of any outstanding commitments under the Infra Loan Obligations by their weighted average life of the Infra Loan Obligations;

Accounts

(a) the Balance standing to the credit of the Interest Account at the end of the related Due Period;

(b) the Balance standing to the credit of the Principal Account at the end of the related Due Period;

(c) the Balance standing to the credit of the Interest Account immediately after all payments and deposits to be made on the next Notes Payment Date;

(d) the Balance standing to the credit of the Principal Account immediately after all payments and deposits to be made on the next Notes Payment Date;

(e) the amounts payable from the Interest Account through a transfer to the Payment Account pursuant to the Priorities of Payments on such Notes Payment Date;

(f) the amounts payable from the Principal Account through a transfer to the Payment Account pursuant to the Priorities of Payments on such Notes Payment Date;

(g) the amounts payable from any other Accounts (through a transfer to the Payment Account) pursuant to the Priorities of Payments on such Notes Payment Date, together with details of whether such amounts constitute Interest Proceeds or Principal Proceeds;

(h) the Balance standing to the credit of each of the other Accounts and each Eligible Depository Account at the end of the related Due Period;

(i) the Principal Proceeds received during the related Due Period; and

(j) the Interest Proceeds received during the related Due Period;

Notes

(a) the Principal Amount Outstanding of the Notes of each Class, and such aggregate amount as a percentage of the original aggregate Principal Amount Outstanding of the Notes of such Class at the beginning of the Accrual Period, the amount of principal payments to be made on the Notes of each Class on the related Notes Payment Date, and the aggregate amount of the Notes of each Class Outstanding, and such aggregate amount as a percentage of the original aggregate amount of the Notes of such Class Outstanding after giving effect to the principal payments, if any, on the next Notes Payment Date;

(b) the Interest Amount and any Deferred Interest payable in respect of each Class of Notes on the next Notes Payment Date;

(c) the applicable Benchmark for the related Accrual Period and the Base Rate applicable to each Class of Rated Notes during the related Accrual Period; and

(d) whether a Payment Frequency Switch Event has occurred;

Notes Payment Date Payments

(a) the amounts payable and amounts paid pursuant to the Interest Priority of Payments, the Principal Priority of Payments and the Post-Acceleration Priority of Payments; and

(b) the Trustee Fees and Expenses, the amount of any Collateral Management Fees and Administrative Expenses payable on the related Notes Payment Date, in each case, on an itemised basis;

Coverage Tests and Overcollateralisation Test

(a) a statement as to whether each of the Class A/B Overcollateralisation Test, Class C Overcollateralisation Test and the Class D Overcollateralisation Test is satisfied, and details of the relevant Overcollateralisation Ratios;

(b) a statement as to whether each of the Class A/B Interest Coverage Test, the Class C Interest Coverage Test and the Class D Interest Coverage Test is satisfied, and details of the relevant Interest Coverage Ratios; and

(c) a statement as to whether the Class A Minimum Collateralisation Test is satisfied, and details of the Class A Overcollateralisation Ratio;

Interest Rate Benchmarks

(a) the Asset Replacement Percentage; and

(b) the Aggregate Principal Balance of Infra Loan Obligations that bear interest based on (i) LIBOR; (ii) SOFR; or (iii) any other replacement benchmark rates;

Risk Retention

confirmation that the Transaction Administrator has received written confirmation (and upon which confirmation the Transaction Administrator shall be entitled to rely without further enquiry and without liability for so relying) from the Retention Holder that:

(a) it continues to hold the Subordinated Notes; and

(b) it has not sold, hedged or otherwise mitigated its credit risk under or associated with the Subordinated Notes or the underlying portfolio of Infra Loan Obligations, except to the extent permitted in accordance with the Risk Retention Requirements; and

Further information

any further information which the Collateral Manager and the Transaction Administrator agree in writing (which may be by email) should be included in each Payment Date Report.

Miscellaneous

For the purposes of the Payment Date Reports, obligations which are to constitute Infra Loan Obligations in respect of which the Issuer (or the Collateral Manager on behalf of the Issuer) has agreed to purchase, but which have not yet been settled, shall be included as Infra Loan Obligations as if such purchase had been completed and obligations in respect of which the Issuer (or the Collateral Manager on behalf of the Issuer) has agreed to sell, but in respect of which such sale has not yet settled, shall be excluded from being Infra Loan Obligations as if such sale had been completed.

Each Payment Date Report shall state that it is for the purposes of information only, that certain information included in the report is estimated, approximated or projected and that it is provided without any representations or warranties as to the accuracy or completeness thereof and that none of the Transaction Administrator, the Trustee, the Issuer, the Collateral Manager, the Sole Global Coordinator or the Joint Bookrunners will have any liability for estimates, approximations or projections contained therein. For the avoidance of doubt, the Sole Global Coordinator and the Joint Bookrunners have no responsibility for any Payment Date Report.

In addition, the Transaction Administrator shall provide the Issuer with such other information and in such a format relating to the Portfolio as the Issuer may reasonably request and which is in the possession of the Transaction Administrator, in order for the Issuer to satisfy its obligation in respect of the preparation of its financial statements (including audits thereof) and tax returns.

SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM

The Notes of each Class will be in registered form and represented by a Global Certificate which will be registered in the name of DB Nominees (Hong Kong) Limited as nominee of, and deposited with, the common depository for Euroclear and Clearstream.

Beneficial interests in a Global Certificate may be held at any time only through Euroclear and Clearstream. See "*Form of the Notes*". Beneficial interests in a Global Certificate may not be held by a US Person or US resident at any time. By acquisition of a beneficial interest in a Global Certificate, the purchaser thereof will be deemed to represent, among other things, that it is not a US Person, and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest only to a person whom the seller reasonably believes to be a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S. See "*Transfer Restrictions*".

Each Global Certificate will become exchangeable in whole, but not in part, for Definitive Certificates if (a) Euroclear or Clearstream is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business, or (b) any of the circumstances described in Condition 10 (*Note Events of Default*) occurs.

Whenever a Global Certificate is to be exchanged for Definitive Certificates, such Definitive Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Certificate within five business days of the delivery, by or on behalf of the registered holder of the Global Certificate (the "**Holder**"), Euroclear and/or Clearstream, to the Registrar of such information as is required to complete and deliver such Definitive Certificates (including, without limitation, the names and addresses of the persons in whose names the Definitive Certificates are to be registered, and the principal amount of each such Person's holding) against the surrender of the Global Certificate at the Specified Office of the Registrar. Such exchange will be effected in accordance with the provisions of the Agency and Account Bank Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any Holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

(a) Definitive Certificates have not been issued and delivered by 5.00 p.m. (Hong Kong time) on the 30th day after the date on which the same are due to be issued and delivered in accordance with the terms of the Global Certificates; or

(b) any of the Notes evidenced by a Global Certificate have become due and payable in accordance with the Conditions, or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the Holder of the relevant Global Certificate on the due date for payment in accordance with the terms of the Global Certificate,

then the relevant Global Certificate (including the obligation to deliver Definitive Certificates) will become void at 5.00 p.m. (Hong Kong time) on such 30th day (in the case of (a) above) or at 5.00 p.m. (Hong Kong time) on such due date (in the case of (b) above), and the Holder will have no further rights thereunder (but without prejudice to the rights which the Holder or others may have under the Trust Deed). Under the Trust Deed, Persons shown in the records of Euroclear and/or Clearstream as being entitled to interests in the Notes will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Global Certificate became void, they had been the registered Holders of Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or (as the case may be) Clearstream.

In addition, the Global Certificates will contain provisions that modify the Terms and Conditions of the Notes as they apply to the Notes evidenced by the Global Certificates. The following is a summary of certain of those provisions:

Payments

All payments in respect of the Global Certificates which, according to the Terms and Conditions of the Notes, require surrender of the relevant Global Certificate, will be made against surrender of the relevant Global Certificate to or to the order of any Paying Agent, and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes.

Payments on business days

In the case of all payments made in respect of the Global Certificates, "**business day**" means any day which is a day on which dealings in foreign currencies may be carried on in New York City.

Payment Record Date

Each payment in respect of the Global Certificates will be made to the Person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**"), where "**Clearing System Business Day**" means a day on which each clearing system for which the Global Certificate is being held is open for business.

Notices

Notwithstanding Condition 16 (*Notices*), so long as a Global Certificate is held on behalf of Euroclear, Clearstream or any other clearing system (an "**Alternative Clearing System**"), notices to Holders of Notes represented by that Global Certificate may be given by delivery of the relevant notice to Euroclear, Clearstream or (as the case may be) such Alternative Clearing System. Such notices shall be deemed to have been given to the Noteholders in accordance with Condition 16 (*Notices*) on the date of delivery to Euroclear and/or Clearstream and/or any Alternative Clearing System.

Electronic Consent and Written Resolution

While any Global Certificate is held on behalf of a clearing system, then:

(a) approval of a resolution given by way of electronic consents communicated through the electronic communication systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding (an "**Electronic Consent**") shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which a special quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders, whether or not they participated in such Electronic Consent; and

(b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Trust Deed) has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer by (a) accountholders in the clearing system with entitlements to such Global Certificate and/or, where (b) the accountholders hold any such entitlement on behalf of another Person, on written consent from, or written instruction by, the Person identified by that accountholder as the Person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or

instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream or any other relevant alternative clearing system (the "**relevant clearing system**") and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EasyWay or EUCLID or Clearstream's Xact Web Portal or Creation Online system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified, together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any Person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such Person and subsequently found to be forged or not authentic.

Clearing System Accountholders

References in the Terms and Conditions of the Notes to a "Noteholder" of any Class are references to the Person in whose name the Global Certificate for the relevant Class is for the time being registered in the Register which, for so long as the Global Certificate is held by or on behalf of a common depository for Euroclear and/or Clearstream, will be that common depository or a nominee for that common depository.

Each of the Persons shown in the records of Euroclear and/or Clearstream as being entitled to an interest in a Global Certificate (each, an "**Accountholder**") must look solely to Euroclear and/or Clearstream (as the case may be) for such Accountholder's share of each payment made by the Issuer to the holder of that Global Certificate, and in relation to all other rights arising under that Global Certificate. The extent to which, and the manner in which, Accountholders may exercise any rights arising under Global Certificates will be determined by the respective rules and procedures of Euroclear and Clearstream from time to time. For so long as the Notes of any Class are represented by a Global Certificate, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes, and such obligations of the Issuer will be discharged by payment to the holder of the relevant Global Certificate.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of each of the Class A1-SU Notes, the Class A1 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Subordinated Notes substantially in the form in which they will be endorsed on such Notes if issued in definitive certificate form and which will be incorporated by reference into the Global Certificate of each Class representing the Notes, subject to the provisions of such Global Certificates, some of which will modify the effect of these terms and conditions. See Condition 14(c) (*Modification and Waiver*).

The issue of US$107,000,000 Class A1-SU Senior Secured Floating Rate Notes due October 2044 (the "**Class A1-SU Notes**"), US$209,500,000 Class A1 Senior Secured Floating Rate Notes due October 2044 (the "**Class A1 Notes**" and, together with the Class A1-SU Notes, the "**Class A Notes**"), the US$34,000,000 Class B Senior Secured Floating Rate Notes due October 2044 (the "**Class B Notes**"), the US$20,500,000 Class C Senior Secured Floating Rate Notes due October 2044 (the "**Class C Notes**"), the US$15,700,000 Class D Senior Secured Floating Rate Notes due October 2044 (the "**Class D Notes**" and, together with the Class A Notes, the Class B Notes and the Class C Notes, the "**Rated Notes**") and the US$36,591,000 Subordinated Secured Floating Rate Notes due October 2044 (the "**Subordinated Notes**" and, together with the Rated Notes, the "**Notes**") of Bauhinia ILBS 2 Limited (the "**Issuer**") was authorised by resolutions of the board of Directors of the Issuer passed on 26 August 2024. The Notes are constituted by a trust deed (the "**Trust Deed**") dated on or about the Closing Date between, among others, the Issuer and DB Trustees (Hong Kong) Limited in its capacity as trustee for the Noteholders and as security trustee for the Secured Parties (the "**Trustee**", which expression shall include all Persons for the time being the trustee or trustees as appointed under the Trust Deed). The issue price of the Class A1-SU Notes, the Class A1 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Subordinated Notes will be 100.0 per cent. of their principal amount.

These terms and conditions of the Notes (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed (which includes the forms of the certificates representing the Notes). The following agreements have been entered into in relation to the Notes: (a) an agency and account bank agreement dated on or about the Closing Date (the "**Agency and Account Bank Agreement**") between, among others, the Issuer, Deutsche Bank AG, Hong Kong Branch as registrar (the "**Registrar**", which term shall include any successor or substitute registrars appointed pursuant to the terms of the Agency and Account Bank Agreement), as transfer agent (the "**Transfer Agent**" which term shall include any additional, successor or substitute transfer agents appointed pursuant to the terms of the Agency and Account Bank Agreement), as account bank (the "**Account Bank**", which term shall include any successor or substitute account bank appointed pursuant to the terms of the Agency and Account Bank Agreement), and as principal paying agent and calculation agent (respectively, "**Principal Paying Agent**" and "**Calculation Agent**", which terms shall include any successor or substitute principal paying agent and calculation agent, respectively, appointed pursuant to the terms of the Agency and Account Bank Agreement) and the Trustee; (b) a collateral management and administration agreement dated on or about the Closing Date (the "**Collateral Management and Administration Agreement**") between The Hong Kong Mortgage Corporation Limited as collateral manager in respect of the Portfolio (the "**Collateral Manager**", which term shall include any successor collateral manager appointed pursuant to the terms of the Collateral Management and Administration Agreement), the Issuer, the Trustee, Deutsche Bank AG, Hong Kong Branch as transaction administrator (the "**Transaction Administrator**", which term shall include any successor transaction administrator appointed pursuant to the terms of the Collateral Management and Administration Agreement) and the Calculation Agent; (c) a corporate services agreement dated on or about the Closing Date (the "**Corporate Services Agreement**", which term shall include any replacement services agreement(s) entered into between the Issuer and the Corporate Service Providers (as defined below)) between the Issuer, CSCGFM Asia Services (Hong Kong) Pte. Limited and Infiniti Trust (Hong Kong) Limited (together with CSCGFM Asia Services (Hong Kong) Pte. Limited, the "**Corporate Service Providers**", which term shall include any successor or replacement corporate service provider(s) appointed under the Corporate Services Agreement); (d) a

closing sponsor loans agreement dated on or about the Closing Date (the "**Closing Sponsor Loans Agreement**") between the Issuer and the Sponsor in respect of the Bridging Sponsor Loan and each Risk Protection Sponsor Loan (if any); and (e) a Hong Kong law-governed security deed dated on or about the Closing Date between the Issuer and the Trustee (the "**Hong Kong Security Deed**"). Copies of the Trust Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement, the Corporate Services Agreement, the Closing Sponsor Loans Agreement and the Hong Kong Security Deed are available for inspection during usual business hours at the registered office of the Issuer (presently at 3806 Central Plaza, 18 Harbour Road, Wanchai, Hong Kong) and at the specified office of the Transfer Agent for the time being. The holders of each Class of Notes are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Trust Deed, and are deemed to have notice of all the provisions of each other Transaction Document.

1. DEFINITIONS

Unless otherwise expressly defined herein or the context otherwise requires, the following words and expressions shall have the following meanings:

"**Accounts**" means the Principal Account, the Principal Fixed Deposit Account, the Interest Account, the Interest Fixed Deposit Account, the Payment Account, the Undrawn Commitment Account, the Undrawn Commitment Fixed Deposit Account, the General Reserve Account, the Risk Protection Reserve Account and the Collection Account (and each, an "**Account**").

"**Accrual Period**" means, in respect of each Class of Notes, the period from and including the Closing Date to, but excluding, the first Notes Payment Date and each successive period from and including each Notes Payment Date to, but excluding, the following Notes Payment Date.

"**Additional Issue Date**" means the issue date of any Additional Notes.

"**Additional Notes**" means additional Notes issued in accordance with Condition 17 (*Additional Issuances of Notes*).

"**Adjusted Collateral Principal Amount**" means, as of each date of determination:

(a) the Aggregate Principal Balance of the Infra Loan Obligations (other than Defaulted Obligations, Caa Excess Obligations or Long Dated Infra Loan Obligations); plus

(b) without duplication, the amounts on deposit in the Collection Account representing Principal Proceeds; plus

(c) without duplication, any Eligible Fixed Deposit then outstanding representing Principal Proceeds; plus

(d) without duplication, the amounts on deposit in any Eligible Depository Account representing Principal Proceeds; plus

(e) without duplication, the amounts on deposit in the Principal Account; plus

(f) without duplication, the amounts on deposit in the Undrawn Commitment Account; plus

(g) without duplication, the amounts on deposit in the Principal Fixed Deposit Account; plus

(h) without duplication, the amounts on deposit in the Undrawn Commitment Fixed Deposit Account; plus

in relation to:

(i) a Defaulted Obligation, the lower of: (u) its Principal Balance multiplied by its Market Value, and (v) its Moody's Recovery Amount, **provided that** if the Market Value of such Defaulted Obligation cannot be determined or is otherwise unavailable, then the Adjusted Collateral Principal Amount of such Defaulted Obligation shall be its Moody's Recovery Amount, and further **provided that** the Adjusted Collateral Principal Amount of a Defaulted Obligation that has been a Defaulted Obligation for more than three years after the date on which it became a Defaulted Obligation and continues to be a Defaulted Obligation on such date shall be zero;

(j) a Caa Excess Obligation, the lower of: (w) its Principal Balance multiplied by its Market Value; and (x) its Moody's Recovery Amount, **provided that** if the Market Value of such Caa Excess Obligation cannot be determined or is otherwise unavailable, then the Adjusted Collateral Principal Amount of such Caa Excess Obligation shall be its Moody's Recovery Amount; and

(k) a Long Dated Infra Loan Obligation, its Principal Balance multiplied by the lower of (y) its Market Value; and (z) its Liquidation Value.

"**Administrative Expenses**" means amounts due and payable by the Issuer in the following order of priority:

(a) on a *pro rata* and *pari passu* basis, to (i) the Agents pursuant to the Agency and Account Bank Agreement including amounts by way of indemnity, (ii) the Transaction Administrator pursuant to the Collateral Management and Administration Agreement including amounts by way of indemnity, (iii) the Directors pursuant to the Corporate Services Agreement including amounts by way of indemnity and (iv) to the SEHK, or such other stock exchange or exchanges upon which any of the Rated Notes are listed from time to time;

(b) on a *pro rata* and *pari passu* basis, if not otherwise specified in the relevant Credit Documentations, to any Person for the payment of all fees and expenses relating to the Credit Documentation (including, but not limited to, any transfer fee relating to the purchase of any Reinvestment Infra Loan Obligation by the Issuer in accordance with the Purchase and Sale Agreements);

(c) on a *pro rata* and *pari passu* basis:

  (i) to any Rating Agency which may from time to time be requested to assign (x) a rating to any of the Rated Notes, or (y) a confidential credit estimate to any of the Infra Loan Obligations, for fees and expenses (including surveillance fees) in connection with any such rating or confidential credit estimate including, in each case, the ongoing monitoring thereof and any other amounts due and payable to any Rating Agency under the terms of the Issuer's engagement with such Rating Agency;

  (ii) to the independent certified public accountants, auditors, agents, advisors and counsel of, or Persons providing advice to or for the benefit of, the Issuer (other than amounts payable to the Agents pursuant to paragraph (a) above);

  (iii) to the Corporate Service Provider of the Issuer in respect of fees (if any) payable under the Corporate Services Agreement;

(iv) to the Collateral Manager pursuant to the Collateral Management and Administration Agreement (including, but not limited to, the indemnities provided for therein and all ordinary expenses, costs, fees, taxes, out-of-pocket expenses and brokerage fees incurred by the Collateral Manager in such capacity or in its capacity as the interim collateral manager for and on behalf of the Issuer prior to the Closing Date), but excluding any Collateral Management Fees pursuant to the Collateral Management and Administration Agreement;

(v) to any Person in respect of any governmental fee or charge (for the avoidance of doubt, excluding any taxes) or any statutory indemnity;

(vi) to any other Person in respect of any other fees or expenses contemplated in the Conditions and in the Transaction Documents or any other documents delivered pursuant to or in connection with the issue and sale of the Notes which are not otherwise provided for in this definition or in the Priorities of Payments, including, without limitation, amounts payable to any listing agent and any fees and expenses incurred by the Issuer (in its sole and absolute discretion) in assisting in the preparation, provision or validation of data for the purposes of Noteholders' tax jurisdictions;

(vii) to the Sponsor in respect of any claims by it under the Sponsor Collateral Acquisition Agreements;

(viii) to the Sponsor, the Sole Global Coordinator and the Joint Bookrunners pursuant to the Subscription Agreement in respect of any indemnity or any other amount payable to it thereunder;

(ix) to any Person for the payment of any fees, expenses or indemnity payments in relation to the restructuring of an Infra Loan Obligation, including, but not limited to, formation or operation a steering committee relating thereto;

(x) to any Originating Bank or the Sponsor pursuant to any Participation Agreement after the date of entry into any Participation in respect of any indemnity or any other amount payable to it thereunder;

(xi) to any Person for the payment of any amounts necessary to enforce the orderly dissolution of the Issuer; and

(xii) to any Person for the payment of any costs and expenses incurred by the Issuer in order to comply with any requirements under the Securitisation Regulations, the CRA Regulation, FATCA, CRS or any other law or regulation in any applicable jurisdiction which are applicable to the Issuer;

(d) any Refinancing Costs, to the extent not provided for above and to the extent not already paid as Trustee Fees and Expenses; and

(e) except to the extent already provided for above, on a *pro rata* basis payment of any indemnities payable to any such Person as contemplated in these Conditions or the Transaction Documents,

provided that:

(f) the Collateral Manager may direct the payment to any Rating Agency set out in paragraph (c) above other than in the order required by paragraph (c) above if the Collateral Manager or Issuer has been advised by a Rating Agency that non-payment of its fees will immediately result in the withdrawal of any ratings on any Class of Rated Notes; and

(g) the Collateral Manager, in its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement, may determine and direct a payment other than in the order of priorities required by paragraph (c) above to a payee listed thereunder (but in all cases subject to amounts payable under paragraphs (a) and (b) above having been paid in priority and, if such payment would decrease an amount otherwise payable to the Sole Global Coordinator and the Joint Bookrunners pursuant to sub-paragraph (c)(viii) above, the prior consent of the Sole Global Coordinator and the Joint Bookrunners) if such payment is required in order to ensure the timely action or delivery of services by such payee.

"**Affected Class(es)**" shall have the meaning ascribed to it in Condition 14(b) (*Decisions and Meetings of Noteholders*).

"**Affiliate**" or "**Affiliated**" means, with respect to a Person:

(a) any other Person who, directly or indirectly, is in control of, or controlled by, or is under common control with, such Person;

(b) any account, fund, client or portfolio:

  (i) established and controlled by such Person or, with respect to such Person, any other Person as described in paragraph (a) above, or (c)(i) or (c)(ii) below; or

  (ii) for which such person or, with respect of such Person, any other Person as described in paragraph (a) above, or (c)(i) or (c)(ii) below acts as the investment adviser; or

  (iii) with respect to which such Person or, with respect to such Person, any other Person as described in paragraph (a) above, or (c)(i) or (c)(ii) below exercises discretionary control thereover; and

(c) any other Person who is a director, officer or employee:

  (i) of such Person;

  (ii) of any subsidiary or parent company of such Person; or

  (iii) of any Person described in paragraph (a) or (b) above.

For the purposes of this definition, control of a Person shall mean the power, direct or indirect, (A) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of such Person, or (B) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

"**Agent**" means each of the Registrar, the Paying Agents, the Transfer Agents, the Calculation Agent, the Account Bank, the Transaction Administrator and each of their permitted successors or assigns appointed as Agents of the Issuer pursuant to the Agency and Account Bank Agreement or, as the case may be, the Collateral Management and Administration Agreement, and "**Agents**" shall be construed accordingly.

"**Aggregate Principal Balance**" means the aggregate of the Principal Balances of all the Infra Loan Obligations and, when used with respect to a portion of the Infra Loan Obligations, means the aggregate of the Principal Balances of such portion of the Infra Loan Obligations, in each case, as at any date of determination.

"**Asset Replacement Percentage**" means, on any date of calculation, a fraction (expressed as a percentage) where (a) the numerator is equal to the Aggregate Principal Balance of all the Infra Loan Obligations at a benchmark or reference rate identified in paragraphs (a) to (d) (both inclusive) of the definition of "Benchmark Replacement" as a potential replacement for the Benchmark for the applicable Designated Maturity as of such calculation date and (b) the denominator is equal to the Aggregate Principal Balance as of such calculation date, as calculated by the Transaction Administrator.

"**Authorised Denomination**" means, in respect of any Note, the Minimum Denomination thereof and any denomination equal to a multiple of the Authorised Integral Amount in excess of the Minimum Denomination thereof.

"**Authorised Integral Amount**" means, for each Class of Notes, US$1,000.

"**Authorised Officer**" means, with respect to the Issuer, any Director of the Issuer or other Person (as notified by or on behalf of the Issuer to the Trustee and the Agents) who is authorised to act for the Issuer in matters relating to, and binding upon, the Issuer.

"**Balance**" means, on any date, with respect to any cash standing to the credit of an Account (or any sub-account thereof) or an Eligible Depository Account, the aggregate of the:

(a) current balance of cash, demand deposits, time deposits, certificates of deposits, government guaranteed funds and other investment funds;

(b) outstanding principal amount of interest-bearing corporate and government obligations and money market accounts and repurchase obligations; and

(c) purchase price, up to an amount not exceeding the face amount, of non interest-bearing government and corporate obligations, commercial paper and certificates of deposit.

"**Base Rate**" has the meaning given thereto in Condition 6(f)(i) (*Base Rate*).

"**Benchmark**" means, initially, Term SOFR, **provided that**:

(a) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Term SOFR or the then-current Benchmark, then "**Benchmark**" means the applicable Benchmark Replacement;

(b) the Benchmark with respect to any Class of Notes shall not be less than zero per cent. per annum; and

(c) for the initial Accrual Period, the Benchmark will be determined by interpolating on a linear basis between (i) Term SOFR for the longest period (for which Term SOFR is available) which is less than the relevant Accrual Period (or if no such Term SOFR is available, SOFR) and (ii) Term SOFR for the shortest period (for which Term SOFR is available) which exceeds the relevant Accrual Period.

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Collateral Manager (in consultation with the Calculation Agent) as of the Benchmark Replacement Date:

(a) the sum of: (i) Daily Non-Cumulative Compounded SOFR; and (ii) the applicable Benchmark Replacement Adjustment;

(b) the sum of: (i) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Designated Maturity; and (ii) the applicable Benchmark Replacement Adjustment;

(c) the sum of: (i) the ISDA Fallback Rate; and (ii) the applicable Benchmark Replacement Adjustment; and

(d) the sum of: (i) the alternate rate of interest that has been selected by the Collateral Manager as the replacement for the then-current Benchmark for the applicable Designated Maturity after giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for any new issue of US Dollar-denominated collateralised loan obligation transactions on such Benchmark Replacement Date; and (ii) the applicable Benchmark Replacement Adjustment,

provided that, if a Benchmark Transition Event described in paragraph (d) of the definition thereof has occurred (and no prior Benchmark Transition Event has occurred) and the Asset Replacement Percentage with respect to any of the rates described in paragraphs (a) through (c) above is equal to or greater than 50 per cent., the Benchmark Replacement shall be, at the election of the Collateral Manager, either (A) any of such rate or (B) the rate described in paragraph (d) above.

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Collateral Manager as of the Benchmark Replacement Date:

(a) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;

(b) the spread adjustment, or such spread adjustment as determined or calculated by the method that has been selected, endorsed or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement (which adjustment in either case may be a positive or negative value or zero); and

(c) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Collateral Manager after giving due consideration to any industry-accepted spread adjustment or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for any new issue of US Dollar-denominated collateralised loan obligation transactions on such Benchmark Replacement Date.

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Accrual Period", timing and frequency of determining rates and making payments of interest and other administrative matters) that the Collateral Manager decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Collateral Manager decides that adoption of any such market practice is not administratively feasible or if the Collateral Manager determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Collateral Manager determines is reasonably necessary).

"**Benchmark Replacement Date**" means, as determined by the Collateral Manager, the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of paragraph (a) or (b) of the definition of "Benchmark Transition Event", the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark permanently or indefinitely ceases to provide such Benchmark;

(b) in the case of paragraph (c) of the definition of "Benchmark Transition Event", the date of the public statement or publication of information referenced therein; or

(c) in the case of paragraph (d) of the definition of "Benchmark Transition Event", the Interest Determination Date immediately following the Determination Date in relation to such Quarterly Report or Payment Date Report, as applicable.

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that the administrator has ceased or will cease to provide the Benchmark permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;

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

(c) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative; or

(d) the Asset Replacement Percentage is greater than 50 per cent., as reported in the most recent Quarterly Report or Payment Date Report, as applicable.

"**Bridging Sponsor Loan**" means the interest-bearing and secured term loan made available to the Issuer by the Sponsor pursuant to the Closing Sponsor Loans Agreement.

"**Business Day**" means a day, other than a Saturday or Sunday:

(a) on which banks are open for business in Hong Kong and New York, and (in relation to any date of payment) the principal financial centre of the issuing country of the relevant currency; and

(b) for the purpose of the definition of Presentation Date, in relation to any place, on which commercial banks and foreign exchange markets settle payments in that place.

"**Caa Excess**" means the amount equal to the excess of the Principal Balance of all Caa Obligations over an amount equal to 10.0 per cent. of the Collateral Principal Amount as of each Measurement Date; **provided that**, in determining which of the Caa Obligations shall be included in such excess, no Caa Obligation included in such excess shall have a higher Market Value (assuming that such Market Value is expressed as a percentage of the Principal Balance of such Infra Loan Obligations as of such Measurement Date, and if the Market Value of a Caa Obligation cannot be determined or is otherwise deemed unavailable, the Moody's Recovery Rate of such Caa Obligation shall be used) than any of the Caa Obligations that are not included in such excess.

"**Caa Excess Obligations**" means the Caa Obligations that constitute Caa Excess.

"**Caa Obligations**" means Infra Loan Obligations in respect of which any of the Obligors has (a) a Moody's Rating Factor between 4770 and 8070 (both inclusive) or (b) a public rating by Moody's of Caa1 to Caa3 (both inclusive).

"**Class A Minimum Collateralisation Test**" means the test that will apply as of each Measurement Date and that will be satisfied on such Measurement Date if the Class A Overcollateralisation Ratio is at least equal to 102.5 per cent.

"**Class A Noteholders**" means the holders of any Class A Notes from time to time.

"**Class A Overcollateralisation Ratio**" means, as of each Measurement Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the aggregate Principal Amount Outstanding of all Class A Notes.

"**Class A/B Coverage Tests**" means the Class A/B Interest Coverage Test and the Class A/B Overcollateralisation Test.

"**Class A/B Interest Coverage Ratio**" means, as of each Measurement Date occurring on or after the Determination Date immediately preceding the second Notes Payment Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the scheduled interest payments due on the Class A Notes and the Class B Notes on the following Notes Payment Date. For the purposes of calculating the Class A/B Interest Coverage Ratio, any Eligible Fixed Deposit then outstanding representing Interest Proceeds, the expected interest income on Infra Loan Obligations, any Eligible Depository Account (to the extent applicable) and the Accounts (to the extent applicable) and the expected interest payable on the Class A Notes and the Class B Notes will be calculated using the then-current interest rates applicable thereto as at the relevant Measurement Date.

"**Class A/B Interest Coverage Test**" means the test which will apply as of each Measurement Date occurring on or after the Determination Date immediately preceding the second Notes Payment Date and which will be satisfied on such Measurement Date if the Class A/B Interest Coverage Ratio is at least equal to 110.0 per cent.

"**Class A/B Overcollateralisation Ratio**" means, as of each Measurement Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the sum of the Principal Amount Outstanding of each of the Class A Notes and the Class B Notes.

"**Class A/B Overcollateralisation Test**" means the test that will apply as of each Measurement Date and that will be satisfied on such Measurement Date if the Class A/B Overcollateralisation Ratio is at least equal to 115.7 per cent.

"**Class B Noteholders**" means the holders of any Class B Notes from time to time.

"**Class C Coverage Tests**" means the Class C Interest Coverage Test and the Class C Overcollateralisation Test.

"**Class C Interest Coverage Ratio**" means, as of each Measurement Date occurring on or after the Determination Date immediately preceding the second Notes Payment Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the scheduled interest payments due on the Class A Notes, the Class B Notes and the Class C Notes on the following Notes Payment Date. For the purposes of calculating the Class C Interest Coverage Ratio, any Eligible Fixed Deposit then outstanding representing Interest Proceeds, the expected interest income on Infra Loan Obligations, any Eligible Depository Account (to the extent applicable) and the Accounts (to the extent applicable) and the expected interest payable on the Class A Notes, the Class B Notes and the Class C Notes will be calculated using the then-current interest rates applicable thereto as at the relevant Measurement Date.

"**Class C Interest Coverage Test**" means the test which will apply as of each Measurement Date occurring on or after the Determination Date immediately preceding the second Notes Payment Date and which will be satisfied on such Measurement Date if the Class C Interest Coverage Ratio is at least equal to 107.5 per cent.

"**Class C Noteholders**" means the holders of any Class C Notes from time to time.

"**Class C Overcollateralisation Ratio**" means, as of each Measurement Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the sum of (i) the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes and the Class C Notes and (ii) any Deferred Interest in respect of the Class C Notes.

"**Class C Overcollateralisation Test**" means the test which will apply as of each Measurement Date and which will be satisfied on such Measurement Date if the Class C Overcollateralisation Ratio is at least equal to 110.0 per cent.

"**Class D Coverage Tests**" means the Class D Interest Coverage Test and the Class D Overcollateralisation Test.

"**Class D Interest Coverage Ratio**" means, as of each Measurement Date occurring on or after the Determination Date immediately preceding the second Notes Payment Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the scheduled interest payments due on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes on the following Notes Payment Date. For the purposes of calculating the Class D Interest Coverage Ratio, any Eligible Fixed Deposit then outstanding representing Interest Proceeds, the expected interest income on Infra Loan Obligations, any Eligible Depository Account (to the extent applicable) and the Accounts (to the extent applicable) and the expected interest payable on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be calculated using the then-current interest rates applicable thereto as at the relevant Measurement Date.

"**Class D Interest Coverage Test**" means the test which will apply as of each Measurement Date occurring on or after the Determination Date immediately preceding the second Notes Payment Date and which will be satisfied on such Measurement Date if the Class D Interest Coverage Ratio is at least equal to 102.5 per cent.

"**Class D Noteholders**" means the holders of any Class D Notes from time to time.

"**Class D Overcollateralisation Ratio**" means, as of each Measurement Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the sum of (i) the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and (ii) any Deferred Interest in respect of the Class C Notes and the Class D Notes.

"**Class D Overcollateralisation Test**" means the test which will apply as of each Measurement Date and which will be satisfied on such Measurement Date if the Class D Overcollateralisation Ratio is at least equal to 106.4 per cent.

"**Class of Notes**" means any class of Notes being:

(a) the Class A Notes;

(b) the Class B Notes;

(c) the Class C Notes;

(d) the Class D Notes; or

(e) the Subordinated Notes,

and "**Class of Noteholders**" and "**Class**" shall be construed accordingly and shall include any Class of Notes issued pursuant to Condition 17 (*Additional Issuances of Notes*).

"**Clearstream**" means Clearstream Banking S.A..

"**Closing Date**" means 11 September 2024 (or such other later date thereafter as may be agreed between the Issuer, the Sole Global Coordinator, the Joint Bookrunners and the Collateral Manager and as notified to the Trustee, the Transaction Administrator and the Noteholders in accordance with Condition 16 (*Notices*)).

"**CM Removal Resolution**" means any Resolution, vote, written direction or consent of the Noteholders in relation to the removal of the Collateral Manager in accordance with the Collateral Management and Administration Agreement or in relation to the waiver or modification of any event constituting a Collateral Manager For Cause Event (as such term is defined in the Collateral Management and Administration Agreement) relating to such removal pursuant to the Collateral Management and Administration Agreement.

"**CM Replacement Resolution**" means any Resolution, vote, written direction or consent of the Noteholders in relation to the appointment of a replacement, successor or substitute Collateral Manager or any assignment, transfer or delegation by the Collateral Manager of its rights or obligations, in each case, in accordance with the Collateral Management and Administration Agreement.

"**Code**" means the United States Internal Revenue Code of 1986, as amended from time to time.

"**Collateral**" means the property, assets, rights and/or benefits described in Condition 4(a) (*Security*) which are charged and/or assigned to the Trustee from time to time for the benefit of the Secured Parties pursuant to the Trust Deed and the Hong Kong Security Deed.

"**Collateral Management Fee**" means the Senior Collateral Management Fee and/or the Junior Collateral Management Fee, as applicable.

"**Collateral Management Fee Due Period**" means, with respect to the Collateral Management Fee payable on:

(a) the first Notes Payment Date, the period from and including the Closing Date to but excluding the first Notes Payment Date; and

(b) any subsequent Notes Payment Date, the period from and including the Notes Payment Date preceding such Notes Payment Date to but excluding such Notes Payment Date,

provided that, in the case of the Collateral Management Fee Due Period applicable to the Notes Payment Date which is the Redemption Date of the Notes redeemed in full, such Collateral Management Fee Due Period shall end on and include the Business Day preceding such Notes Payment Date.

"**Collateral Manager Related Parties**" means the Collateral Manager, its Affiliates, the directors, officers and employees of the Collateral Manager and any of its Affiliates, and the funds and accounts for which the Collateral Manager or any of its Affiliates exercises discretionary management services or authority on behalf of such fund or account, and "**Collateral Manager Related Party**" should mean any one of them.

"**Collateral Principal Amount**" means, at any Determination Date, the amount equal to the aggregate of the following amounts, as at (and including) such Determination Date:

(a) the Aggregate Principal Balance of all Infra Loan Obligations;

(b) for the purposes solely of calculating the Collateral Management Fee, (i) the aggregate amount of all accrued and unpaid interest purchased with Principal Proceeds (other than with respect to Defaulted Obligations) plus (ii) the Aggregate Principal Balance of obligations which are to constitute Infra Loan Obligations in respect of which the Issuer has entered into a binding commitment to purchase, but which purchase has not yet settled, as if such purchase had been completed minus (iii) the Aggregate Principal Balance of obligations in respect of which the Issuer has entered into a binding commitment to sell, but in respect of which such sale has not yet settled, as if such sale had been completed;

(c) without duplication, the amounts on deposit in the Principal Fixed Deposit Account;

(d) without duplication, any Eligible Fixed Deposit then outstanding representing Principal Proceeds;

(e) without duplication, the amounts on deposit in any Eligible Depository Account representing Principal Proceeds;

(f) without duplication, the amounts on deposit in the Undrawn Commitment Account;

(g) without duplication, the amounts on deposit in the Collection Account representing Principal Proceeds; and

(h) the Balances standing to the credit of the Principal Account, **provided that**, for the purposes of determining the Balances herein, Principal Proceeds to be used to purchase Infra Loan Obligations in respect of which the Issuer has entered into a binding commitment to purchase, but in respect of which such purchase has not yet settled, shall be excluded as if such purchase had been completed and Principal Proceeds to be received from the sale of Infra Loan Obligations in respect of which the Issuer has entered into a binding commitment to sell, but in respect of which such sale has not yet settled, shall be included as if such sale had been completed, and

for the avoidance of doubt, for the purposes of calculating the Collateral Principal Amount in determining compliance with the Risk Retention Requirements or in determining whether a Risk Retention Deficiency has occurred, the Principal Balance of any Infra Loan Obligation shall be its Principal Balance (converted into US$ at the Spot Rate on the applicable Measurement Date) in each case without any adjustments for purchase price or the application of haircuts or other adjustments.

"**Collateral Tax Event**" means, at any time, as a result of the introduction of a new, or any change in, any tax statute, treaty, regulation, rule, ruling, practice, procedure, tax authority guidance or judicial decision or interpretation (whether proposed, temporary or final), principal or interest payments due from the Obligors of any Infra Loan Obligations in relation to any Due Period to the Issuer being or becoming properly subject to the imposition of withholding tax (other than where such withholding tax is compensated for by a "gross-up" provision in any Credit Documentation of the Infra Loan Obligation or such requirement to withhold is eliminated pursuant to a double taxation treaty so that the Issuer is held completely harmless from the full amount of such withholding tax on an after-tax basis) so that the additional aggregate amount of such withholding tax on all interest payments due on the Infra Loan Obligations in relation to such Due Period is equal to or in excess of 5.00 per cent. of the aggregate interest payments due (for the avoidance of doubt, excluding any additional interest arising as a result of the operation of any gross-up provision) on all Infra Loan Obligations in relation to such Due Period. For the purpose of this definition, where a portion of the Infra Loan Obligations is subject to withholding tax as of the Closing Date, the additional aggregate amount of such withholding tax is strictly and only in relation to amounts that become due and payable in addition to the withholding tax already payable as of the Closing Date.

"**Collection Account**" means the US Dollar account described as such in the name of the Issuer held with the Account Bank.

"**Constitutional Documents**" means the constitutional documents of the Issuer, as originally adopted and as amended and/or supplemented from time to time.

"**Controlling Class**" means:

(a) the Class A Notes; or

(b) following redemption and payment in full of the Class A Notes, the Class B Notes; or

(c) following redemption and payment in full of the Class A Notes and Class B Notes, the Class C Notes; or

(d) following redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes, the Class D Notes; or

(e) following redemption and payment in full of all of the Rated Notes, the Subordinated Notes.

"**Coverage Test**" means each of the Class A/B Overcollateralisation Test, the Class A/B Interest Coverage Test, the Class C Overcollateralisation Test, the Class C Interest Coverage Test, the Class D Overcollateralisation Test and the Class D Interest Coverage Test.

"**CRA Regulation**" means European Union Regulation (EC) No 1060/2009 (as amended).

"**Credit Documentation**" means, in respect of an Infra Loan Obligation, the relevant (or, as the case may be, each) credit or facility agreement (including all schedules and appendices to such agreement), and all other related financing, hedging and security documents, including guarantee, insurance, shareholder support, security, pledge and assignment, quasi-security, intercreditor and restructuring documentation, and any amendments, supplements, accessions, waivers or variations of the same.

"**Credit Related Causes**" means causes other than:

(a) any administrative or technical error beyond the control of the relevant Obligors;

(b) any Disruption Event; or

(c) where the terms of the Credit Documentation of the relevant Infra Loan Obligation apply a grace period only if certain circumstances are subsisting, the subsistence of those circumstances.

"**Credit Risk Obligation**" means any Infra Loan Obligation (other than a Defaulted Obligation):

(a) that, in the Collateral Manager's reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement (which judgement will not be called into question as a result of any subsequent events), has a significant risk of declining in credit quality or price; or

(b) any Obligor of which has failed to meet any of its other financial obligations.

"**CRS**" means the internationally agreed standard for automatic exchange of information of financial account information in tax matters, endorsed by the Organisation for Economic Co-operation and Development and the Global Forum for Transparency and Exchange of Information for Tax Purposes.

"**Current Pay Obligation**" means any Infra Loan Obligation that would otherwise be treated as a Defaulted Obligation but as to which no payments are due and payable that are unpaid and with respect to which:

(a) the Collateral Manager believes, in its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement, the Obligors of such Infra Loan Obligation will continue to make scheduled payments of interest thereon in cash and will pay the principal thereof in cash by maturity or as otherwise contractually due;

(b) if any of the Obligors is subject to bankruptcy or insolvency proceedings, the Collateral Manager has actual knowledge a bankruptcy court has authorised the payment of interest and principal payments when due thereunder; and

(c) if any Rated Notes are then rated by Moody's:

    (i) the Infra Loan Obligation has a Moody's Rating Factor of at least 4770, or, if the Infra Loan Obligation is publicly rated by Moody's, a Moody's rating of at least "Caa1" and a Market Value of at least 80.0 per cent. of its outstanding Principal Balance; or

(ii) the Infra Loan Obligation has a Moody's Rating Factor of at least 6500, or, if the Infra Loan Obligation is publicly rated by Moody's, a Moody's rating of "Caa2" and a Market Value of at least 85.0 per cent. of its outstanding Principal Balance.

"**Daily Non-Cumulative Compounded SOFR**" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Collateral Manager (in consultation with the Calculation Agent) in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Non-Cumulative Compounded SOFR" for business loans, **provided that** if the Collateral Manager decides (in its sole discretion) that any such convention is not administratively feasible, then the Collateral Manager may establish another convention in its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement.

"**Defaulted Obligation**" means an Infra Loan Obligation which has been determined by the Collateral Manager, using reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement, based on circumstances at the time of determination (which judgement will not be called into question as a result of any subsequent events which change the position from that existed on the date of the original determination) to meet one or more of the following requirements:

(a) in respect of which there has occurred and is continuing a default with respect to the payment of interest and/or principal, disregarding any grace periods applicable thereto or waiver or forbearance thereof, **provided that** in the case of any Infra Loan Obligation in respect of which the Collateral Manager has confirmed to the Trustee in writing that, to the actual knowledge of the Collateral Manager, such default has resulted from causes other than Credit Related Causes, such Infra Loan Obligation shall only constitute a "Defaulted Obligation" once the greater of (i) five Business Days, (ii) seven calendar days, and (iii) any grace period applicable thereto has expired but in no case beyond the passage of any grace period applicable thereto, in each case which default entitles the creditors and/or lenders thereof, with notice or passage of time or both, to accelerate the maturity of all or a portion of the principal amount of such Infra Loan Obligation, but only until such default has been cured;

(b) in respect of which the Collateral Manager has actual knowledge that (A) any Obligor thereunder is in default as to payment of principal and/or interest on another of its obligations (an "**Other Obligation**") (and, unless the Infra Loan Obligation has already been accelerated, such default has not been cured), but only if either (x) such Other Obligation and the Infra Loan Obligation are both full recourse and unsecured obligations; or (y) such Other Obligation ranks at least *pari passu* with the Infra Loan Obligation in right of payment without regard to any grace period applicable thereto, or waiver or forbearance thereof, after the passage (other than in the case of a default that in the Collateral Manager's reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement, as certified to the Trustee in writing (on which the Trustee shall be entitled to rely absolutely and without liability), has resulted from causes other than Credit Related Causes) of a period which is the greater of (i) five Business Days, (ii) seven calendar days, and (iii) any grace period applicable thereto, but in no case beyond the passage of any grace period applicable thereto and (B) the creditors and/or lenders of such Other Obligation have accelerated the maturity of all or a portion of such Other Obligation;

(c) in respect of which any bankruptcy, insolvency or receivership proceedings have been initiated in connection with any Obligor of such Infra Loan Obligation, whether initiated under that Obligor's local law or otherwise;

(d) (in the case of an Infra Loan Obligation that is a Participation) in respect of which:

(i) the Originating Bank or the Sponsor (as applicable) has defaulted in respect of any of its payment obligations under the terms of such Participation; and

(ii)

(A) the Originating Bank or the Sponsor (as applicable) has a Moody's rating of "Ca" or below; and/or

(B) the Originating Bank or the Sponsor (as applicable) has a Moody's Rating Factor of 10,000 or greater,

(such a Defaulted Obligation, an "**Participation Counterparty Defaulted Obligation**");

(e) in respect of which any of the Obligors has a Moody's Rating Factor of 10,000 or greater; or

(f) where the Collateral Manager, acting on behalf of the Issuer and exercising its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement (which judgement will not be called into question as a result of any subsequent events which change the position from that existed on the date of the original determination), has determined that such Infra Loan Obligation should otherwise be deemed to be a Defaulted Obligation,

provided that (A) an Infra Loan Obligation shall not constitute a Defaulted Obligation pursuant to paragraphs (b) to (e) above (both inclusive) if such Infra Loan Obligation is a Current Pay Obligation and (B) any Infra Loan Obligation shall cease to be a Defaulted Obligation on the date such Infra Loan Obligation no longer satisfies this definition of "**Defaulted Obligation**".

"**Defaulted Obligation Excess Amounts**" means, in respect of a Defaulted Obligation, the greater of:

(a) zero; and

(b) the aggregate of all recoveries (including by way of Disposal Proceeds) in respect of such Defaulted Obligation for so long as it is a Defaulted Obligation, minus the sum of the Principal Balance of such Defaulted Obligation outstanding immediately prior to the first receipt of any such recovery amounts.

"**Deferred Collateral Management Fee**" means the Deferred Senior Collateral Management Fee and/or the Deferred Junior Collateral Management Fee (as applicable).

"**Deferred Interest**" has the meaning given thereto in Condition 6(d) (*Deferral of Interest*).

"**Deferred Junior Collateral Management Fee**" has the meaning given thereto in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Deferred Senior Collateral Management Fee**" has the meaning given thereto in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Definitive Certificate**" means a certificate representing one or more Notes in definitive and registered form, which shall be substantially in the form as set out in Part 2 (*Form of Definitive Certificate of each Class*) of Schedule 1 (*Form of Notes*) to the Trust Deed.

"**Depository**" means Euroclear and Clearstream or any other clearing system where a Global Certificate is deposited or held.

"**Depository Business Day**" means a day on which the Depository is open for business.

"**Designated Maturity**" means:

(a) prior to the occurrence of a Payment Frequency Switch Event, six months; and

(b) following the occurrence of a Payment Frequency Switch Event, three months.

"**Determination Date**" means:

(a) prior to the occurrence of a Payment Frequency Switch Event, 31 March and 30 September of each calendar year and, for the purposes of preparing the Quarterly Reports only, 30 June and 31 December of each calendar year; and

(b) following the occurrence of a Payment Frequency Switch Event, 31 March, 30 June, 30 September and 31 December of each calendar year, and

the first Determination Date shall be 31 March 2025, and, for the purpose of preparing the Quarterly Reports only, 31 December 2024, **provided that** following the occurrence of an acceleration in accordance with Condition 10(b) (*Acceleration*), the Determination Date shall be two Business Days prior to the relevant Redemption Date.

"**Directors**" means the Person(s) who may be appointed as director(s) of the Issuer from time to time and "**Director**" means any of them.

"**Disposal Proceeds**" means all proceeds received by the Issuer upon the disposal of any Infra Loan Obligation excluding any such proceeds representing accrued interest designated as Interest Proceeds by the Collateral Manager, **provided that** no such designation may be made in respect of proceeds representing accrued interest received in respect of any Defaulted Obligation unless and until such proceeds represent Defaulted Obligation Excess Amounts.

"**Disruption Event**" means either or both of:

(a) a material disruption to those payment or communication systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the relevant Infra Loan Obligation which disruption is not caused by, and is beyond the control of, any of the relevant Obligors; or

(b) the occurrence of any other event which results in a disruption (of a technical or system-related nature) to the treasury or payment operations of an Obligor preventing that, or any other, Obligor:

    (i) from performing its payment obligations under the terms of the relevant Infra Loan Obligation; or

    (ii) from communicating with other Obligors in accordance with the terms of the relevant Infra Loan Obligation,

    and which (in either such case) is not caused by, and is beyond the control of, the Obligor whose operations are disrupted.

"**Due Period**" means:

(a) with respect to the first Notes Payment Date, the period commencing on the Closing Date and ending on and including the first Determination Date; and

(b) with respect to any subsequent Notes Payment Date, the period commencing on and including the day immediately following the Determination Date immediately prior to the preceding Notes Payment Date and ending on and including the Determination Date immediately prior to such Notes Payment Date,

provided that, in the case of the Due Period applicable to the Notes Payment Date which is a Redemption Date in respect of which the Notes are being redeemed in full, such Due Period shall end on and include the Business Day preceding such Notes Payment Date.

"**Eligible Depository Account**" means any account in the name of the Issuer held with an Eligible Depository Institution.

"**Eligible Depository Institution**" means any depository institution which has the necessary regulatory capacity and licences to carry on banking business or the business of taking deposits in Hong Kong as a matter of all applicable laws.

"**Eligible Fixed Deposit**" means any fixed deposit investment made by or on behalf of the Issuer:

(a) with:

(i) the Account Bank; or

(ii) an Eligible Depository Institution,

in each case, having a rating not less than the applicable Rating Requirement at the time of such fixed deposit investment or contractual commitment to make such investment;

(b) from the Interest Fixed Deposit Account, the Principal Fixed Deposit Account, the Undrawn Commitment Fixed Deposit Account or an Eligible Depository Account, as applicable, and the final payment or repayment of which is to be paid into the relevant account where such fixed deposit investment is made; and

(c) which has the final payment or repayment of principal due and payable no later than four Business Days immediately preceding the next following Notes Payment Date.

"**Eligible Originating Bank**" means an institution (other than the Sponsor) which, on the Closing Date, satisfies the applicable Rating Requirement.

"**Enforcement Actions**" shall have the meaning ascribed to it in Condition 11(b) (*Enforcement*).

"**Enforcement Notice**" shall have the meaning ascribed to it in Condition 10(b) (*Acceleration*).

"**Enforcement Threshold**" shall have the meaning ascribed to it in Condition 11(b) (*Enforcement*).

"**Enforcement Threshold Determination**" shall have the meaning ascribed to it in Condition 11(b) (*Enforcement*).

"**EU**" means the European Union.

"**EU Securitisation Regulation**" means Regulation (EU) No 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, including the EU Securitisation Rules (and, except as otherwise stated, means such Regulation as it may be amended after the Closing Date).

"**EU Securitisation Rules**" means: (a) applicable regulatory and/or implementing technical standards or delegated regulations made under the EU Securitisation Regulation (including any applicable transitional provisions); and/or (b) any relevant guidance and policy statements relating to the application of the EU Securitisation Regulation published by the European Banking Authority, the European Securities and Markets Authority, the European Insurance and Occupational Pensions Authority (or their successors), collectively, (the "**European Supervisory Authorities**" or "**ESAs**"), including any applicable guidance and policy statements issued by the Joint Committee of ESAs and/or the European Commission; and/or (c) any applicable laws, regulations, rules, guidance or other applicable national implementing measures, in each case as amended, varied or substituted from time to time.

"**Euroclear**" means Euroclear Bank SA/NV.

"**Extraordinary Resolution**" means an extraordinary resolution as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**FATCA**" means:

(a) Sections 1471 through 1474 of the Code or any associated regulations or other official guidance;

(b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; or

(c) any agreement pursuant to or in connection with the implementation of paragraph (a) or (b) above with the IRS, the US government or any governmental or taxation authority in any other jurisdiction.

"**Federal Reserve Bank of New York Website**" means the website of the Federal Reserve Bank of New York at https://www.newyorkfed.org/, or any successor source.

"**General Reserve Account**" means the US Dollar account described as such in the name of the Issuer and held with the Account Bank.

"**General Reserve Account Cap**" means US$100,000.

"**Global Certificate**" means a certificate representing one or more Notes in global and registered form, which shall be substantially in the form as set out in Part 1 (*Form of Global Certificate of each Class*) of Schedule 1 (*Form of Notes*) to the Trust Deed.

"**HKMC**" means The Hong Kong Mortgage Corporation Limited.

"**Holder**" or "**holder**" means, with respect to any Note, the Noteholder.

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

"**Information Memorandum**" means the information memorandum of the Issuer dated 6 September 2024 in connection with the issuance of the Notes.

"**Infra Loan Obligation**" means any Loan purchased (whether as part of a Novated Facility or by way of a Participation) by or on behalf of the Issuer.

"**Infra Loan Obligation Stated Maturity**" means, with respect to any Infra Loan Obligation, the date specified in such Infra Loan Obligation as the fixed date on which the final payment or repayment of principal of such Infra Loan Obligation is due and payable.

"**Insolvency Regulation**" means Regulation (EU) No 2015/848 of the European Parliament and of the Council of 20 May 2015 on Insolvency Proceedings (recast).

"**Interest Account**" means the US Dollar account described as such in the name of the Issuer held with the Account Bank.

"**Interest Amount**" has the meaning specified in Condition 6(f) (*Interest on the Notes*) in respect of the Notes.

"**Interest Coverage Amount**" means, on any particular Measurement Date, the sum of the following amounts (without double counting any such amounts):

(a) the Balance standing to the credit of the Interest Account; plus

(b) the Balance standing to the credit of the Interest Fixed Deposit Account; plus

(c) the amounts on deposit in the Collection Account representing Interest Proceeds; plus

(d) the amounts placed in Eligible Fixed Deposit then outstanding representing Interest Proceeds; plus

(e) the Balance standing to the credit of any Eligible Depository Account representing Interest Proceeds; plus

(f) the scheduled interest payments due but not yet received (where the applicable due date has occurred, or will occur, in the Due Period in which such Measurement Date occurs on the Infra Loan Obligations), excluding:

  (i) accrued and unpaid interest on Defaulted Obligations (excluding Current Pay Obligations);

  (ii) interest on any Infra Loan Obligation to the extent that such Infra Loan Obligation does not provide for the scheduled payment of interest in cash;

  (iii) any amounts, to the extent that such amounts, if not paid, will not give rise to a default under the relevant Infra Loan Obligation;

  (iv) any amounts expected to be withheld at source or otherwise deducted in respect of taxes (including, for the avoidance of doubt, as a result of FATCA) and that are not grossed up under the terms of the relevant Credit Documentation governing such Infra Loan Obligations; and

  (v) any scheduled interest payments as to which the Issuer or the Collateral Manager has actual knowledge that such payment will not be made; minus

(g) the amounts payable pursuant to paragraphs (A) through (E) of the Interest Priority of Payments on the following Notes Payment Date; plus

(h) any amounts that would be payable from the General Reserve Account to the Interest Account in the Due Period relating to such Measurement Date (without double counting any such amounts which have been already transferred to the Interest Account from the General Reserve Account).

For the purposes of calculating any Interest Coverage Amount, the expected or scheduled interest payable on any Class of Notes and on any relevant Account shall be calculated using then-current interest rates applicable thereto. For the avoidance of doubt, Overpaid Amount shall not be taken into account for the purpose of calculating the Interest Coverage Amount.

"**Interest Coverage Ratio**" means each of the Class A/B Interest Coverage Ratio, the Class C Interest Coverage Ratio and the Class D Interest Coverage Ratio. For the purposes of calculating an Interest Coverage Ratio, any Eligible Fixed Deposit then outstanding representing Interest Proceeds, the expected interest income on Infra Loan Obligations, any Eligible Depository Account (to the extent applicable) and the Accounts (to the extent applicable) and the expected interest payable on the relevant Rated Notes will be calculated using the then-current interest rates applicable thereto.

"**Interest Coverage Test**" means each of the Class A/B Interest Coverage Test, the Class C Interest Coverage Test and the Class D Interest Coverage Test.

"**Interest Determination Date**" means, in respect of the Notes, the second US Government Securities Business Day prior to the commencement of each Accrual Period, **provided that**, in the event a Benchmark Replacement is adopted pursuant to the terms of these Conditions, such other date as designated by the Collateral Manager (in consultation with the Calculation Agent) in accordance with the Benchmark Replacement Conforming Changes.

"**Interest Fixed Deposit Account**" means the US Dollar account described as such in the name of the Issuer held with the Account Bank.

"**Interest Fixed Deposit Amount**" has the meaning given to it in Condition 3(j)(vii) (*Interest Fixed Deposit Account*).

"**Interest Priority of Payments**" means the priorities of payments in respect of Interest Proceeds set out in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Interest Proceeds**" means:

(a) all amounts paid or payable into the Interest Account from the Collection Account from time to time (including any interest thereon) pursuant to Condition 3(j) (*Payments to and from the Accounts*);

(b) with respect to any Notes Payment Date, any amounts received or receivable by the Issuer during the related Due Period to be disbursed pursuant to the Interest Priority of Payments on such Notes Payment Date;

(c) any other amounts to be disbursed out of the Payment Account on such Notes Payment Date pursuant to Condition 3(c)(i) (*Application of Interest Proceeds*); and

(d) any amounts to be disbursed from the Interest Account pursuant to the Post-Acceleration Priority of Payments.

"**Interim Expenses**" means those costs and expenses that are not Trustee Fees and Expenses or Administrative Expenses and are due and payable by the Issuer on a date that is not a Notes Payment Date.

"**Investment Company Act**" means the United States Investment Company Act of 1940, as amended.

"**IRS**" means the United States Internal Revenue Service or any successor thereto.

"**ISDA**" means the International Swaps and Derivatives Association, Inc. and any successor thereto.

"**ISDA Definitions**" means the 2021 ISDA Interest Rate Derivatives Definitions published by ISDA as amended or supplemented from time to time, or any successor definition booklet published for interest rate derivatives from time to time.

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

"**ISDA Fallback Rate**" means (a) the rate that would apply to derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable Designated Maturity, minus (b) the applicable ISDA Fallback Adjustment.

"**Joint Bookrunners**" means China International Capital Corporation Hong Kong Securities Limited, ING Bank N.V., Singapore Branch, MUFG Securities Asia Limited, Natixis Hong Kong Branch and Standard Chartered Bank, and "**Joint Bookrunner**" means any one of them.

"**Junior Collateral Management Fee**" means the fee payable to the Collateral Manager in arrear on each Notes Payment Date that is subordinated in payment priority to the Notes in respect of each Collateral Management Fee Due Period pursuant to the Collateral Management and Administration Agreement in an amount, as determined by the Transaction Administrator, equal to 0.1 per cent. per annum (pro-rated for each Collateral Management Fee Due Period on the basis of a 360-day year and the actual number of days elapsed in such Collateral Management Fee Due Period) of the Collateral Principal Amount as at the first day of the Due Period (or, if such day is not a Business Day, the next day which is a Business Day) immediately preceding such Notes Payment Date as determined by the Transaction Administrator.

"**Liquidation Value**" means, with respect to a Long Dated Infra Loan Obligation, at any Measurement Date:

(a) where its Infra Loan Obligation Stated Maturity is less than or equal to six months beyond the Maturity Date, 90 per cent. of its Principal Balance;

(b) where its Infra Loan Obligation Stated Maturity is more than six months but less than or equal to 12 months beyond the Maturity Date, 80 per cent. of its Principal Balance; and

(c) where its Infra Loan Obligation Stated Maturity is more than 12 months but less than or equal to 24 months beyond the Maturity Date, 70 per cent. of its Principal Balance.

"**LMA**" means the Loan Market Association or any successor organisation thereto.

"**Loan**" means any obligation for the payment or repayment of borrowed money that is documented by a term loan agreement, revolving facility agreement or other similar credit agreement or facility agreement.

"**Long Dated Infra Loan Obligation**" means an Infra Loan Obligation which has an Infra Loan Obligation Stated Maturity beyond the Maturity Date.

"**LSTA**" means the Loan Syndications and Trading Association or any successor organisation thereto.

"**Mandatory Redemption**" means a redemption of the Notes pursuant to and in accordance with Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

"**Market Value**" means, in respect of a Defaulted Obligation, a Caa Obligation or Long Dated Infra Loan Obligation on each date of determination (in each case expressed as a percentage of the Principal Balance of the Defaulted Obligation, the Caa Obligation or the Long Dated Infra Loan Obligation, as the case may be):

(a) the mean of at least three respective firm bid prices provided to the Collateral Manager by at least three Leading Dealers; or

(b) if three or more such Leading Dealers' firm bid prices are not available, the mean of the two respective firm bid prices provided to the Collateral Manager by two Leading Dealers; or

(c) if two such Leading Dealers' firm bid prices are not available, the firm bid price provided to the Collateral Manager by one Leading Dealer,

provided that if the Collateral Manager is not able to obtain a firm bid price from any Leading Dealer, then the Market Value shall be deemed unavailable.

For the purposes of this definition:

"**independent**" means: (A) that each dealer from whom a bid price is sought is independent from each of the other dealers from whom a bid price is sought and (B) each dealer is not an Affiliate of the Collateral Manager; and

"**Leading Dealer**" means an independent leading dealer active in the trading of obligations of the type of the Defaulted Obligations or, as the case may be, the Caa Obligations.

"**Master Participation Agreement**" means an English law-governed master participation agreement between the Issuer and the Sponsor dated 26 August 2024, as amended and/or restated from time to time.

"**Maturity Amendment**" means, with respect to any Infra Loan Obligation, any waiver, modification, amendment or variance that would extend the Infra Loan Obligation Stated Maturity of such Infra Loan Obligation (whether by way of amendment and restatement of the existing facility or novation or substitution on substantially the same terms save for the maturity amendment). For the avoidance of doubt, a waiver, modification, amendment or variance that

would extend the Infra Loan Obligation Stated Maturity of the credit facility of which an Infra Loan Obligation is part, but would not extend the Infra Loan Obligation Stated Maturity of the Infra Loan Obligation held by the Issuer, does not constitute a Maturity Amendment.

"**Maturity Date**" means the date that is the Notes Payment Date falling on 19 October 2044 or, if such day is not a Business Day, then the next succeeding Business Day, unless it would fall in the following month, in which case it shall be the immediately preceding Business Day.

"**Measurement Date**" means any of the following dates:

(a) the date of acquisition of any additional Infra Loan Obligation;

(b) each Determination Date;

(c) the date as at which any Quarterly Report or any Payment Date Report is prepared; and

(d) upon reasonable (and not less than five Business Days') notice, any Business Day requested by any Rating Agency then rating any Class of Notes that is Outstanding for the purposes of any Coverage Test(s).

"**Minimum Denomination**" means, in respect of each Class, US$200,000.

"**Moody's**" means Moody's Investors Service Hong Kong Limited and any successor or successors thereto.

"**Moody's Rating Factor**" means, in respect of an Obligor of an Infra Loan Obligation, the rating factor as so advised by Moody's from time to time.

"**Moody's Recovery Amount**" means, in respect of an Infra Loan Obligation that is a Defaulted Obligation or a Caa Excess Obligation, an amount equal to the product of (a) the applicable Moody's Recovery Rate and (b) the Principal Balance of such Infra Loan Obligation.

"**Moody's Recovery Rate**" means, with respect to a Defaulted Obligation or a Caa Excess Obligation, on each date of determination:

(a) in respect of any Infra Loan Obligation (including any Infra Loan Obligation whose tranche type is specified as "ECA covered" (but only those which the Collateral Manager, in its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement, has determined to be non-honouring of sovereign financial obligations)), or any Reinvestment Infra Loan Obligation whose tranche type has been confirmed by the Collateral Manager as a covered tranche, a value thereof provided by Moody's on a case by case basis;

(b) in respect of any Infra Loan Obligation that is a project finance loan and is not covered in (a) above, the applicable recovery rate thereof determined by the Collateral Manager, using its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement, in accordance with applicable Moody's rating methodologies, "Project Finance and Infrastructure Asset CLOs Methodology", or its successor methodologies updated by Moody's from time to time. For illustrative purpose only, such rate is typically at either 65 per cent. or 75 per cent. depending on the project's characteristics such as its sector and operational status;

(c) in respect of any other Infra Loan Obligation that is a corporate loan and is not covered in (a) or (b) above, or if such Infra Loan Obligation is a Participation Counterparty Defaulted

Obligation, the applicable recovery rate thereof determined by the Collateral Manager, using its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement, in accordance with applicable Moody's rating methodologies, "Corporate Synthetic CDOs", or its successor methodologies updated by Moody's from time to time; and

(d) in the event that an Infra Loan Obligations is not covered in (a), (b), or (c) above, a value thereof provided by Moody's.

"**Non-Call Period**" means the period from and including the Closing Date up to, but excluding, 19 October 2027 or, if such day is not a Business Day, then the next succeeding Business Day, unless it would fall in the following month, in which case it shall be the immediately preceding Business Day.

"**Non-Waterfall Amount**" means:

(a) in respect of any Infra Loan Obligation, any interest accrued on such Infra Loan Obligation up to but excluding the Closing Date and which has been received by the Issuer but has not been paid to the Sponsor or the Originating Bank (as the case may be);

(b) in respect of any Infra Loan Obligation, any amount payable to the Issuer which does not represent interest or principal (including, without limitation, any commitment fees, waiver fees and consent fees) and (i) which is accrued up to but excluding the Closing Date, or incurred on or prior to the Closing Date and (ii) which has been received by the Issuer but has not been paid to the Sponsor or the Originating Bank (as the case may be); and

(c) any amount (as determined by the Collateral Manager in accordance with the terms of the Collateral Management and Administration Agreement) to which the Sponsor or another Person (other than the Issuer) is beneficially entitled but which has been paid to the Issuer (whether in error or not).

"**Note Disruption Event**" means either or both of:

(a) a material disruption to those payment or communication systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Notes and which disruption is not caused by or is beyond the control of the Issuer; or

(b) the occurrence of any other event which results in a disruption (of a technical or system-related nature) to the treasury or payment operations of the Issuer preventing the Issuer from performing its payment obligations under the terms of the Notes and which is not caused by or is beyond the control of the Issuer.

"**Note Event of Default**" means each of the events defined as such in Condition 10(a) (*Note Events of Default*).

"**Note Payment Sequence**" means the application of Interest Proceeds or Principal Proceeds, as applicable, in accordance with the relevant Priorities of Payments in the following order:

(a) *firstly*, to the redemption of the Class A Notes (on a *pro rata* and *pari passu* basis), at the applicable Redemption Price in whole or in part until the Class A Notes have been fully redeemed;

(b) *secondly*, to the redemption of the Class B Notes (on a *pro rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class B Notes have been fully redeemed;

(c) *thirdly*, to the redemption of the Class C Notes including any Deferred Interest in respect of the Class C Notes (on a *pro rata* basis) at the applicable Redemption Price in whole or in part until the Class C Notes have been fully redeemed; and

(d) *fourthly*, to the redemption of the Class D Notes including any Deferred Interest in respect of the Class D Notes (on a *pro rata* basis) at the applicable Redemption Price in whole or in part until the Class D Notes have been fully redeemed,

provided that, for the purposes of any redemption of the Notes in accordance with the Note Payment Sequence following a breach of any Coverage Test, the Note Payment Sequence shall terminate immediately after the paragraph above that refers to the Class of Notes to which such Coverage Test relates.

"**Note Tax Event**" means, at any time, the introduction of a new, or any change in, any tax statute, treaty, regulation, rule, ruling, practice, procedure, tax authority guidance or judicial decision or interpretation (whether proposed, temporary or final) which results in (or would on the next Notes Payment Date result in) any payment of principal or interest on the Notes becoming subject to any withholding tax other than:

(a) withholding tax in respect of FATCA; and

(b) by reason of the failure by the relevant Noteholder or beneficial owner to comply with any applicable procedures required to establish non-residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Hong Kong, the United States or any other applicable taxing authority.

"**Noteholders**" means the several Persons in whose name the Notes are registered from time to time in accordance with and subject to their terms and the terms of the Trust Deed, and "**holder**" (in respect of the Notes) shall be construed accordingly.

"**Notes Payment Date**" means:

(a) prior to the occurrence of a Payment Frequency Switch Event, 19 April and 19 October in each year, and scheduled to commence on 19 April 2025; and

(b) following the occurrence of a Payment Frequency Switch Event, 19 January, 19 April, 19 July and 19 October in each year,

in each case up to and including the earlier of (i) Maturity Date and (ii) any Redemption Date in respect of the redemption of each Class of Rated Notes in whole and/or the redemption of the Subordinated Notes in whole, **provided that** if any Notes Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day that is a Business Day (unless it would thereby fall in the following month, in which case it shall be brought forward to the immediately preceding Business Day).

"**Novated Facility**" means any credit facility in respect of which the Issuer purchased the rights and obligations of the Sponsor or Originating Bank.

"**Obligor**" means, in respect of an Infra Loan Obligation, the borrower thereunder or the guarantor thereof (as determined by the Collateral Manager acting on behalf of the Issuer).

"**Offer**" means, with respect to any Infra Loan Obligation, (a) any offer made by any Obligor under such Infra Loan Obligation or by any other Person to all of the creditors of such Obligor in relation

to such Infra Loan Obligation to purchase or otherwise acquire such Infra Loan Obligation (other than pursuant to any repayment in accordance with the terms of the related Credit Documentation) or to convert or exchange such Infra Loan Obligation into or for cash, securities or any other type of consideration (whether by way of amendment and restatement of the existing facility, novation, substitution or other method), (b) any solicitation by any Obligor of such Infra Loan Obligation or any other Person to amend, modify or waive any provision of such Infra Loan Obligation or any related Credit Documentation or (c) any offer or consent request with respect to a Maturity Amendment.

"**Optional Redemption**" means a redemption pursuant to and in accordance with Condition 7(b) (*Optional Redemption*).

"**Ordinary Resolution**" means an ordinary resolution as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**Originating Bank**" means:

(a) an institution (other than the Sponsor) from which a Novated Facility is acquired by the Issuer or the Sponsor; or

(b) an Eligible Originating Bank which is a party as grantor to a Participation with the Issuer, as participant.

"**Outstanding**" means, in relation to the Notes of a Class as of each date of determination, all of the Notes of such Class that have been issued and not redeemed or purchased and cancelled by the Issuer, as further defined in the Trust Deed.

"**Overcollateralisation Ratio**" means each of the Class A/B Overcollateralisation Ratio, the Class C Overcollateralisation Ratio and the Class D Overcollateralisation Ratio.

"**Overcollateralisation Test**" means each of the Class A/B Overcollateralisation Test, the Class C Overcollateralisation Test and the Class D Overcollateralisation Test.

"**Overpaid Amount**" means, with respect to an Infra Loan Obligation, the excessive amount of (a) an Overpayment over (b) the relevant amount then due and payable by the same Obligor under the relevant Credit Documentation.

"**Overpayment**" means, with respect to an Infra Loan Obligation, any amount paid by or on behalf of an Obligor to the Issuer on any date (including without limitation any gross-up amount of withholding tax), which is in excess of the relevant amount then due and payable by such Obligor under the relevant Credit Documentation.

"**Participation**" means a participation interest in a Loan (i) between an Eligible Originating Bank as grantor and the Issuer as participant or (ii) between the Sponsor as grantor and the Issuer as participant which, in each case at the time of acquisition or the Issuer's commitment to acquire the same, satisfies each of the following criteria:

(a) the Eligible Originating Bank (in the case of (i) above) or the Sponsor (in the case of (ii) above) is a lender of record on the Loan;

(b) the aggregate participations in the Loan granted by such Eligible Originating Bank (in the case of (i) above) or the Sponsor (in the case of (ii) above) to any one or more participants

does not exceed the principal amount or commitment with respect to which the Eligible Originating Bank (in the case of (i) above) or Sponsor (in the case of (ii) above) is a lender of record under such Loan;

(c) such participation does not grant, in the aggregate, to the Issuer as participant in such participation a greater interest than the Eligible Originating Bank (in the case of (i) above) or Sponsor (in the case of (ii) above) holds in the Loan or commitment that is the subject of such participation;

(d) the entire purchase price for such participation is paid in full by the Issuer (without the benefit of financing from the Eligible Originating Bank (in the case of (i) above) or Sponsor (in the case of (ii) above) other than the financing made available under the Warehouse Sponsor Loan Deed) at the time of the Issuer's acquisition;

(e) such participation provides the Issuer as participant all of the economic benefit and risk of the whole or part of the Loan or commitment that is the subject of such participation; and

(f) such participation is documented under a Participation Agreement or the Master Participation Agreement.

"**Participation Agreement**" means an English law or New York law (as applicable) governed participation agreement between the Issuer and an Eligible Originating Bank or the Sponsor (as the case may be) in relation to a Participation that is, in the case of English law-governed participation agreements, substantially in LMA standard form or, in the case of New York law-governed participation agreements, substantially in LSTA standard form, in each case for loan participation transactions among institutional market participants (or, in each case, in such other form as may be approved by the Collateral Manager).

"**Paying Agents**" mean the Principal Paying Agent together with any successor or additional paying agents appointed from time to time in connection with the Notes under the Agency and Account Bank Agreement and "**Paying Agent**" means each of them.

"**Payment Account**" means the US Dollar account described as such in the name of the Issuer held with the Account Bank to which amounts shall be transferred by the Account Bank on the instructions of the Issuer or the Transaction Administrator on the Business Day prior to each Notes Payment Date out of certain of the other Accounts in accordance with Condition 3(i) (*Accounts*) and out of which the amounts required to be paid on each Notes Payment Date pursuant to the Priorities of Payments shall be paid.

"**Payment Date Report**" means the report defined as such in the Collateral Management and Administration Agreement which is prepared by the Transaction Administrator (in consultation with the Collateral Manager) on behalf of the Issuer no later than the Business Day preceding the related Notes Payment Date and made available by the Transaction Administrator on behalf of the Issuer at https://tss.sfs.db.com/investpublic and by the Sponsor at the Sponsor's website at https://www.hkilbs.com.hk (or such other website as may be notified in writing by the Transaction Administrator and/or the Collateral Manager to the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, each Rating Agency, the Retention Holder and the Noteholders from time to time).

"**Payment Frequency Switch Event**" has the meaning given to it in Condition 6(b) (*Payment Frequency Switch Events*).

"**Person**" or "**person**" means an individual, corporation (including a business trust), partnership, joint venture, association, joint-stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"**Portfolio**" means the Infra Loan Obligations and other similar obligations or collaterals held by or on behalf of the Issuer from time to time.

"**Post-Acceleration Priority of Payments**" means the priority of payments set out in Condition 11(c) (*Post-Acceleration Priority of Payments*).

"**Presentation Date**" means a day which (subject to Condition 12 (*Prescription*)):

(a) is a Business Day;

(b) is or falls after the relevant due date of payment or, if the due date is not or was not a Business Day in the place of presentation, is or falls after the next following Business Day which is a Business Day in the place of presentation; and

(c) is a Business Day in the place in which the account specified by the payee is located.

"**Principal Account**" means the US Dollar account described as such in the name of the Issuer held with the Account Bank.

"**Principal Amount Outstanding**" means, in relation to any Class of Notes and at any time, the aggregate principal amount outstanding under such Class of Notes at that time, including Deferred Interest which has been capitalised pursuant to Condition 6(d) (*Deferral of Interest*), save that Deferred Interest in respect of the Rated Notes shall not be included for the purposes of determining (a) the voting rights attributable to the Class C Notes or the Class D Notes and (b) the applicable quorum at any meeting of the Noteholders pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

"**Principal Balance**" means, with respect to any Infra Loan Obligation, as of each date of determination, the outstanding principal amount thereof (including the outstanding balance of any Undrawn Commitment, but excluding any interest capitalised pursuant to the terms of the relevant Credit Documentation).

"**Principal Fixed Deposit Account**" means the US Dollar account described as such in the name of the Issuer held with the Account Bank.

"**Principal Fixed Deposit Amount**" shall have the meaning ascribed to it in Condition 3(j)(vi) (*Principal Fixed Deposit Account*).

"**Principal Priority of Payments**" means the priority of payments in respect of Principal Proceeds set out in Condition 3(c)(ii) (*Application of Principal Proceeds*).

"**Principal Proceeds**" means all amounts payable or paid into the Principal Account from the Collection Account from time to time pursuant to Condition 3(j) (*Payments to and from the Accounts*) and, with respect to any Notes Payment Date, such amounts received or receivable during the related Due Period to be disbursed pursuant to the Principal Priority of Payments on such Notes Payment Date and any other amounts to be disbursed from the Principal Account on such Notes Payment Date pursuant to Condition 3(c)(ii) (*Application of Principal Proceeds*) or Condition 11(b) (*Enforcement*). For the avoidance of doubt, amounts received in connection with an Offer for the exchange of an Infra Loan Obligation for a new or novated obligation or substitute obligation will not constitute Principal Proceeds and will not be deposited into the Principal Account to the extent such proceeds are required to be applied as consideration for the new or novated obligation or substitute obligation.

"**Priorities of Payments**" means:

(a) save for (i) in connection with any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*), (ii) in connection with a redemption in whole pursuant to Condition 7(f) (*Redemption following Note Tax Event*) or (iii) following acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*), which, if such acceleration is by way of the giving of an actual or deemed Enforcement Notice which, if applicable, has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Note Event of Default*), in the case of Interest Proceeds, the Interest Priority of Payments and in the case of Principal Proceeds, the Principal Priority of Payments; and

(b) in the event of any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*) or Condition 7(f) (*Redemption following Note Tax Event*) or following acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*), which, if such acceleration is by way of the giving of an actual or deemed Enforcement Notice which, if applicable, has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Note Event of Default*), the Post-Acceleration Priority of Payments.

"**Purchase and Sale Agreements**" means (a) the Sponsor Purchase and Sale Agreement and (b) each of the English law-governed agreements between the Issuer and an Originating Bank or the Sponsor (as the case may be) in relation to the purchase by the Issuer of a Novated Facility (and each, a "**Purchase and Sale Agreement**").

"**Quarterly Report**" means the report defined as such in the Collateral Management and Administration Agreement which is prepared prior to the occurrence of a Payment Frequency Switch Event by the Transaction Administrator (in consultation with the Collateral Manager) on behalf of the Issuer and, prior to the Maturity Date, due 13 Business Days after 30 June and 31 December of each calendar year, commencing on 21 January 2025, and made available by the Transaction Administrator on behalf of the Issuer at https://tss.sfs.db.com/investpublic and by the Sponsor at the Sponsor's website at https://www.hkilbs.com.hk (or such other website as may be notified in writing by the Transaction Administrator and/or the Collateral Manager to the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, each Rating Agency, the Retention Holder and the Noteholders from time to time).

"**Rated Notes**" means the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.

"**Rating Agency**" means Moody's, **provided that** if at any time Moody's ceases to provide rating services, "**Rating Agency**" shall mean any other nationally recognised investment rating agency or rating agencies (as applicable) selected by the Issuer (a "**Replacement Rating Agency**") and "**Rating Agencies**" shall mean more than one Rating Agency. In the event that at any time a Rating Agency is replaced by a Replacement Rating Agency, references to rating categories of the original Rating Agency in these Conditions, the Trust Deed and the Collateral Management and Administration Agreement shall be deemed instead to be references to the equivalent categories of the relevant Replacement Rating Agency as of the most recent date on which such other rating agency published ratings for the type of securities in respect of which such Replacement Rating Agency is used, and all references herein to "**Rating Agency**" shall be construed accordingly. Any Rating Agency shall cease to be a Rating Agency if, at any time, it ceases to assign a rating in respect of any Class of Rated Notes.

"**Rating Agency Confirmation**" means, with respect to any specified action, determination or appointment, receipt by the Issuer (with a copy to the Collateral Manager) and the Trustee of written confirmation (which may take the form of a bulletin, press release, email or other written communication) from each Rating Agency which has, as at the relevant date, assigned ratings to

any Class of the Rated Notes that are Outstanding (or, if applicable, each Rating Agency specified in respect of any such action, determination or appointment, **provided that** such Rating Agency has, as at the relevant date, assigned ratings to any Class of the Rated Notes) that such specified action, determination or appointment will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency. Notwithstanding anything to the contrary in any Transaction Document and these Conditions, no Rating Agency Confirmation shall be required from a Rating Agency in respect of any action, determination or appointment if (a) such Rating Agency has declined a request from the Trustee, the Collateral Manager or the Issuer to review the effect of such action, determination or appointment or (b) such Rating Agency announces (publicly or otherwise) or confirms to the Trustee, the Collateral Manager or the Issuer that Rating Agency Confirmation from such Rating Agency is not required, or that its practice is not to give such confirmations for such type of action, determination or appointment or (c) such Rating Agency has ceased to engage in the business of providing ratings or has made a public statement to the effect that it will no longer review events or circumstances of the type requiring a Rating Agency Confirmation under any Transaction Document or these Conditions for purposes of evaluating whether to confirm the then-current ratings (or initial ratings) of obligations rated by such Rating Agency.

"**Rating Requirement**" means:

(a) in the case of the Account Bank, a long-term bank deposit rating of at least "A2" and a short-term bank deposit rating of "P-1" by Moody's;

(b) for the purpose of determining whether an institution (other than the Sponsor) may be deemed an Eligible Originating Bank, on the Closing Date only, a long-term senior unsecured issuer credit rating of at least "A1" by Moody's; and

(c) in the case of any depository institution, a long-term bank deposit rating of at least "A2" and a short-term bank deposit rating of "P-1" by Moody's.

"**Receiver**" has the meaning given to it in Condition 10(a)(vi) (*Insolvency Proceedings*);

"**Record Date**" means:

(a) in respect of Notes represented by a Definitive Certificate, the fifteenth day before each Notes Payment Date of such Note; and

(b) in respect of Notes represented by a Global Certificate, the close of business on the Depository Business Day before each Notes Payment Date of such Note.

"**Redemption Date**" means Notes Payment Date specified for a redemption of the Notes of a Class pursuant to Condition 7 (*Redemption and Purchase*) or the date on which the Notes of such Class are accelerated pursuant to Condition 10 (*Note Events of Default*).

"**Redemption Determination Date**" has the meaning given thereto in Condition 7(b)(v) (*Optional Redemption effected through Liquidation only*).

"**Redemption Notice**" means a redemption notice in the form available from the Transfer Agent which has been duly completed by a Noteholder and which specifies, among other things, the applicable Redemption Date.

"**Redemption Price**" means, with respect to:

(a) any Subordinated Note, such Subordinated Note's *pro rata* share (calculated in accordance with paragraph (N) of the Principal Priority of Payments and paragraph (xxii) of the

Post-Acceleration Priority of Payments) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application of such proceeds in accordance with the Priorities of Payments; and

(b) any Rated Note, 100.0 per cent. of the Principal Amount Outstanding thereof (if any), together with any accrued and unpaid interest in respect thereof to the relevant day of redemption and, in respect of the Class C Notes and the Class D Notes, any accrued and unpaid Deferred Interest.

"**Redemption Threshold Amount**" means the aggregate of all amounts which would be due and payable on redemption of the Rated Notes on the scheduled Redemption Date (to the extent such amounts are ascertainable by the Transaction Administrator (in consultation with the Collateral Manager) or have been provided to the Transaction Administrator by the relevant Secured Party), and rank in priority to payments in respect of the Subordinated Notes in accordance with the Post-Acceleration Priority of Payments.

"**Reference Time**" means, with respect to any determination of the Benchmark:

(a) if the Benchmark is Term SOFR, 6.00 a.m. (New York City time) on the day that is two US Government Securities Business Days preceding the date of such determination; and

(b) if the Benchmark is not Term SOFR, the time and date determined by the Collateral Manager in consultation with the Calculation Agent in accordance with the Benchmark Replacement Conforming Changes.

"**Refinancing**" has the meaning given to it in Condition 7(b)(iv) (*Optional Redemption effected in whole or in part through Refinancing*).

"**Refinancing Costs**" means the fees, costs, charges and expenses incurred by or on behalf of the Issuer in respect of a Refinancing, **provided that** such fees, costs, charges and expenses have been incurred as a direct result of a Refinancing, as determined by the Collateral Manager using its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement.

"**Refinancing Infra Loan Obligation**" means an Infra Loan Obligation in relation to which:

(a) the Issuer has received from its Obligor an irrevocable written notification of the Obligor's intention to refinance such Infra Loan Obligation in full during the Reinvestment Period; and

(b) the refinancing date occurs on or prior to the end of the Reinvestment Period.

"**Refinancing Obligation**" has the meaning given to it in Condition 7(b)(iv) (*Optional Redemption effected in whole or in part through Refinancing*).

"**Refinancing Proceeds**" means the cash proceeds from a Refinancing.

"**Register**" means the register of holders of the legal title to the Notes kept by the Registrar pursuant to the terms of the Agency and Account Bank Agreement.

"**Regulation S**" means Regulation S under the Securities Act.

"**Reinvestment Criteria**" means, with respect to an Infra Loan Obligation proposed for purchase by the Issuer using Reinvestment Proceeds in accordance with the Collateral Management and Administration Agreement, the criteria set out below:

(a) to the Collateral Manager's actual knowledge (without the need for inquiry or investigation), no Note Event of Default has occurred that is continuing at the time of such purchase;

(b) a Rating Agency Confirmation from each Rating Agency has been obtained by the Issuer (with a copy to the Collateral Manager) prior to the Infra Loan Obligation being so purchased by the Issuer; and

(c) if the commitment to make such purchase occurs on or after the Closing Date (or, in the case of the Interest Coverage Tests, on or after the Determination Date occurring immediately prior to the second Notes Payment Date), the purchase of such Infra Loan Obligation by the Issuer will result in each Coverage Test being satisfied after giving effect to the settlement of such purchase,

provided that, for the avoidance of doubt, with respect to any Infra Loan Obligation for which the relevant trade date (as specified in the agreement pursuant to which the Issuer purchases such Infra Loan Obligation) has occurred during the Reinvestment Period but which settles after the expiry of the Reinvestment Period, the purchase of such Reinvestment Infra Loan Obligation shall be treated as a purchase made during the Reinvestment Period for purposes of the Trust Deed.

"**Reinvestment Infra Loan Obligation**" means an Infra Loan Obligation purchased with Reinvestment Proceeds in accordance with the terms of the Collateral Management and Administration Agreement and which satisfies the Reinvestment Criteria.

"**Reinvestment Period**" means the period from and including the Closing Date up to, but excluding, 19 October 2027 or, if such day is not a Business Day, then the next succeeding Business Day, unless it would fall in the following month, in which case it shall be the immediately preceding Business Day.

"**Reinvestment Proceeds**" means any one or more of the following:

(a) an amount equal to the proceeds of any early repayment in full of the Infra Loan Obligations received by the Issuer;

(b) any Disposal Proceeds;

(c) an amount equal to the outstanding principal amount of any Refinancing Infra Loan Obligation that is due to be refinanced during the Reinvestment Period;

(d) an amount equal to the outstanding balance of each Undrawn Commitment that is cancelled, or in respect of which the availability period expires; or

(e) any proceeds received by the Issuer from the issuance of Additional Notes,

in each case, during the Reinvestment Period.

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

"**Resolution**" means any Ordinary Resolution or Extraordinary Resolution, as the context may require.

"**Retained Interest**" means a material net economic interest in the first loss tranche of not less than five per cent. of the nominal value of the securitised exposures within the meaning of Article 6(3)(d) of each Securitisation Regulation (as in effect as at the Closing Date), in the form of Subordinated Notes in such amount (as at the Closing Date) acquired on or prior to the Closing Date and retained by the Retention Holder pursuant to the Risk Retention Letter.

"**Retention Holder**" means The Hong Kong Mortgage Corporation Limited.

"**Risk Protection**" means, as determined in the reasonable judgement of the Collateral Manager and notified to the Transaction Administrator and the Rating Agency in accordance with the terms of the Collateral Management and Administration Agreement, any form of risk protection (including, but not limited to, insurance) that is designed to protect the Issuer from certain risks or potential financial losses which it could face in respect of any Infra Loan Obligation (other than a Defaulted Obligation) that is at risk of becoming a Credit Risk Obligation or is otherwise reasonably expected to become credit impaired, **provided that** (a) the Issuer will be the beneficiary of any such risk protection, (b) the liability of the Issuer under any such risk protection shall be limited to any protection premium or any other similar amount, and (c) any failure by the Issuer to pay any premium or any similar amount will only result in loss of benefits or coverage under or associated with such risk protection.

"**Risk Protection Reserve Account**" means the US Dollar account described as such in the name of the Issuer and held with the Account Bank.

"**Risk Protection Sponsor Loan**" means each interest-bearing and secured revolving loan made available to the Issuer by the Sponsor pursuant to the Closing Sponsor Loans Agreement.

"**Risk Retention Deficiency**" means an event which shall occur if the Subordinated Notes held by the Retention Holder are insufficient to constitute the Retained Interest.

"**Risk Retention Letter**" means the letter from the Retention Holder dated the Closing Date, as the same may be amended, supplemented and/or restated from time to time, addressed to the Issuer, the Sole Global Coordinator and the Joint Bookrunners pursuant to which the Retention Holder will make certain undertakings and agreements in respect of the Risk Retention Requirements.

"**Risk Retention Requirements**" means Article 6 of each Securitisation Regulation (in effect as at the Closing Date).

"**Scheduled Principal Proceeds**" means, in the case of any Infra Loan Obligation, scheduled principal repayments received by the Issuer (including scheduled amortisation, instalment, sinking fund payments or mandatory prepayments).

"**Secured Obligations**" means all present and future obligations and liabilities (whether actual or contingent) of the Issuer owed to each Secured Party, as further described in the Trust Deed.

"**Secured Party**" means, as applicable, each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Subordinated Noteholders, the Sole Global Coordinator, the Joint Bookrunners, the Collateral Manager, the Trustee, any Receiver, agent, delegate or other appointee of the Trustee under the Trust Deed or the Hong Kong Security Deed, the Agents, the Sponsor and the Corporate Service Provider, and "**Secured Parties**" means any two or more of them, or all of them, as the context so requires.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Securitisation Regulations**" means the EU Securitisation Regulation and the UK Securitisation Regulation.

"**SEHK**" means The Stock Exchange of Hong Kong Limited.

"**Senior Collateral Management Fee**" means the fee payable to the Collateral Manager in arrear on each Notes Payment Date that is senior in payment priority to the Notes in respect of each Collateral Management Fee Due Period pursuant to the Collateral Management and Administration Agreement in an amount, as determined by the Transaction Administrator, equal to 0.1 per cent. per annum (pro-rated for each Collateral Management Fee Due Period on the basis of a 360-day year and the actual number of days elapsed in such Collateral Management Fee Due Period) of the Collateral Principal Amount as at the first day of the Due Period (or, if such day is not a Business Day, the next day which is a Business Day) immediately preceding such Notes Payment Date as determined by the Transaction Administrator.

"**Senior Expenses Cap**" means, in respect of each Notes Payment Date, the sum of:

(a) 0.025 per cent. per annum (pro-rated for the Due Period on the basis of a 360-day year and the actual number of days elapsed) multiplied by the Collateral Principal Amount; and

(b) US$250,000 per annum (pro-rated for the Due Period on the basis of a 360-day year and the actual number of days elapsed).

"**SIFMA Website**" means the website of the Securities Industry and Financial Markets Association at https://www.sifma.org, or any successor source.

"**SOFR**" means, with respect to any day, the secured overnight financing rate published (before any correction, re-calculation or re-publication) for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark (or a successor administrator), on the Federal Reserve Bank of New York Website.

"**Sole Global Coordinator**" means Standard Chartered Bank.

"**Special Redemption**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Amount**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Date**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Sponsor**" means The Hong Kong Mortgage Corporation Limited.

"**Sponsor Collateral Acquisition Agreements**" means the Sponsor Purchase and Sale Agreement and the Master Participation Agreement (and each a "**Sponsor Collateral Acquisition Agreement**").

"**Sponsor Loans**" means the Bridging Sponsor Loan and each Risk Protection Sponsor Loan (if any) (and each, a "**Sponsor Loan**").

"**Sponsor Purchase and Sale Agreement**" means the sponsor purchase and sale agreement dated 26 August 2024 between the Issuer and the Sponsor as seller in relation to certain Infra Loan Obligations, as amended and/or restated from time to time.

"**Spot Rate**" means, with respect to any conversion of any currency into US$, or, as the case may be, of US$ into any other relevant currency, the relevant spot rate of exchange quoted by the Transaction Administrator in consultation and agreement with the Collateral Manager on the date of conversion.

"**Subordinated Noteholders**" means the holders of any Subordinated Notes from time to time.

"**Subscription Agreement**" means the subscription agreement relating to the Notes between the Issuer, HKMC, the Sole Global Coordinator and the Joint Bookrunners dated 30 August 2024.

"**Subsidiary**" means, in relation to any company or corporation, a company or corporation:

(a) which is controlled, directly or indirectly, by the first-mentioned company or corporation;

(b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first-mentioned company or corporation; or

(c) which is a Subsidiary of another Subsidiary of the first-mentioned company or corporation,

and, for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

"**Term SOFR**" means, for any Accrual Period, the greater of (a) zero and (b) the Term SOFR Reference Rate for the Designated Maturity, as such rate is published (before any correction, re-calculation or re-publication) by the Term SOFR Administrator; **provided that**, if as of 5.00 p.m. (New York City time) on any Interest Determination Date, the Term SOFR Reference Rate for the Designated Maturity has not been published by the Term SOFR Administrator, then Term SOFR will be (x) the Term SOFR Reference Rate for the Designated Maturity as published by the Term SOFR Administrator on the first preceding US Government Securities Business Day for which such Term SOFR Reference Rate for the Designated Maturity was published by the Term SOFR Administrator, so long as such first preceding US Government Securities Business Day is not more than five Business Days prior to such Interest Determination Date or (y) if the Term SOFR Reference Rate cannot be determined in accordance with paragraph (x) of this proviso, Term SOFR shall be the Term SOFR Reference Rate as determined on the previous Interest Determination Date.

"**Term SOFR Administrator**" means CME Group Benchmark Administration Limited, or a successor administrator of the Term SOFR Reference Rate selected by the Collateral Manager with notice to the Trustee and the Calculation Agent.

"**Term SOFR Reference Rate**" means the forward-looking term rate based on SOFR.

"**Transaction Documents**" means the Trust Deed (including the Notes and these Conditions), the Hong Kong Security Deed, the Agency and Account Bank Agreement, the Subscription Agreement, the Collateral Management and Administration Agreement, the Sponsor Collateral Acquisition Agreements, the Closing Sponsor Loans Agreement, the Corporate Services Agreement, the Risk Retention Letter and any document supplemental thereto or issued in connection therewith.

"**Trustee Fees and Expenses**" means the fees and expenses (including, without limitation, legal fees) and all other amounts payable to the Trustee or to any Receiver, agent, delegate or other appointee of the Trustee pursuant to the Trust Deed or any other Transaction Document from time to time, including indemnity payments, and in respect of a Refinancing any fees, costs or expenses

(including the fees, costs and expenses of any legal and other professional advisers employed by the Trustee pursuant to the Trust Deed) properly incurred by the Trustee.

"**UK**" means the United Kingdom of Great Britain and Northern Ireland.

"**UK Securitisation Regulation**" means the EU Securitisation Regulation as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, including any relevant binding technical standards, regulations, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the Financial Conduct Authority of the United Kingdom (and, except as otherwise stated, means such Regulation as it may be amended after the Closing Date).

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement minus the applicable Benchmark Replacement Adjustment.

"**Undrawn Commitment Account**" means the account described as such in the name of the Issuer held with the Account Bank.

"**Undrawn Commitment Amount**" means on the Closing Date, an amount equal to US$1.9 million in respect of the Infra Loan Obligations with an Undrawn Commitment.

"**Undrawn Commitment Fixed Deposit Account**" means the account described as such in the name of the Issuer held with the Account Bank.

"**Undrawn Commitment Fixed Deposit Amount**" shall have the meaning ascribed to it in Condition 3(j)(v) (*Undrawn Commitment Fixed Deposit Account*).

"**Undrawn Commitments**" means the total commitments of the Issuer under the Infra Loan Obligations with a partially drawn or undrawn commitment *minus* the amount of the Issuer's share in any outstanding Loan(s) (whether by way of Participation or as lender of record) under those Infra Loan Obligations.

"**United States**" or "**US**" means the United States of America.

"**Unscheduled Principal Proceeds**" means, with respect to any Infra Loan Obligation, Principal Proceeds received by the Issuer prior to the Infra Loan Obligation Stated Maturity thereof as a result of optional redemptions, prepayments (including any acceleration) or Offers (excluding any premiums or make-whole amounts in excess of the principal amount of such Infra Loan Obligation).

"**US Dollar**" and "**US$**" denote the lawful currency of the US.

"**US Government Securities Business Day**" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for the purposes of trading in United States government securities as indicated on the SIFMA Website.

"**Warehouse Sponsor Loan Deed**" means a Hong Kong law-governed warehouse sponsor loan deed entered into between the Issuer and the Sponsor dated 6 August 2024.

"**Written Resolution**" means any Resolution of the Noteholders of the relevant Class in writing, as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

2. FORM AND DENOMINATION, TITLE, TRANSFER AND EXCHANGE

(a) Form and Denomination

The Notes of each Class may be issued in (i) global, certificated and registered form, without interest coupons, talons and principal receipts attached or (ii) definitive, certificated, and registered form, without interest coupons, talons and principal receipts attached, in each case in the applicable Minimum Denomination and integral multiples of any Authorised Integral Amount in excess thereof. A Global Certificate or Definitive Certificate (as applicable) will be issued to each Noteholder in respect of its registered holding of Notes. Each Definitive Certificate will be numbered serially with an identifying number which will be recorded in the Register which the Issuer shall procure to be kept by the Registrar in Hong Kong.

(b) Title to the Notes

Title to the Notes passes upon registration of transfers in the Register in accordance with the provisions of the Agency and Account Bank Agreement and the Trust Deed. Notes will be transferable only on the books of the Issuer and its Agents. The registered holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no Person will be liable for so treating the holder.

(c) Transfer

In respect of Notes represented by a Definitive Certificate, one or more such Notes may be transferred in whole or in part in nominal amounts of the applicable Authorised Denomination only upon the surrender, at the specified office of the Registrar or the Transfer Agent, of the Definitive Certificate representing such Note(s) to be transferred, with the form of transfer endorsed on such Definitive Certificate duly completed and executed and together with such other evidence as the Registrar or the relevant Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Notes represented by one Definitive Certificate, a new Definitive Certificate will be issued to the transferee in respect of the part transferred and a further new Definitive Certificate in respect of the balance of the holding not transferred will be issued to the transferor.

Interests in a Global Certificate will be transferable in accordance with the rules and procedures for the time being of the Depository.

(d) Delivery of New Certificates

Each new Definitive Certificate to be issued pursuant to Condition 2(c) (*Transfer*) above will be available for delivery within five Business Days of receipt of such form of transfer. Delivery of new Definitive Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar, as the case may be, to whom delivery or surrender shall have been made or, at the option of the Noteholder making such delivery or surrender as aforesaid and as specified in the form of transfer or otherwise in writing, shall be sent by courier, at the risk of the Noteholder entitled to the new Definitive Certificate, to such address as may be so specified.

In this Condition 2(d) (*Delivery of New Certificates*), "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified offices of the relevant Transfer Agent and the Registrar.

(e) Transfer Free of Charge

Transfer of Notes and Global Certificates or Definitive Certificates (as applicable) representing such Notes in accordance with these Conditions on registration or transfer will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment by a Noteholder (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to such transfer.

(f) Closed Periods

No Noteholder may request the transfer of a Note to be registered (i) during the period of 15 calendar days ending on the due date for redemption (in full) of that Note or (ii) during the period of seven calendar days ending on (and including) any Record Date.

(g) Regulations Concerning Transfer and Registration

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes set out in the schedule to the Trust Deed, including, without limitation, that a transfer of Notes in breach of certain of such regulations will result in such transfer being void *ab initio*. The regulations may be changed by the Issuer in any manner which is reasonably required by the Issuer (after consultation with the Trustee) to reflect changes in legal or regulatory requirements or in any other manner which, in the opinion of the Issuer (after consultation with the Trustee and subject to not less than 60 days' notice of any such change having been given to the Noteholders in accordance with Condition 16 (*Notices*)), is not prejudicial to the interests of the holders of the relevant Class of Notes. A copy of the current regulations may be inspected at the specified office of the Transfer Agent during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) during the term of the Notes and will be sent by the Registrar to any Noteholder who so requests.

3. STATUS

(a) Status

The Notes of each Class constitute direct, general, secured, unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 4(c) (*Limited Recourse and Non-Petition*). The Notes of each Class are secured in the manner described in Condition 4(a) (*Security*) and, within each Class, shall at all times rank *pari passu* and without any preference among themselves.

(b) Relationship Among the Classes

The Notes of each Class are constituted by the Trust Deed and are secured on the Collateral as further described in the Trust Deed and the Hong Kong Security Deed. Payments of interest on the Class A Notes will rank senior in right of payment to payments of interest on each Notes Payment Date in respect of each other Class; payment of interest on the Class B Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes, but senior in right of payment to payments of interest in respect of the Class C Notes, Class D Notes and the Subordinated Notes; payment of interest on the Class C Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes and the Class B Notes, but senior in right of payment to payments of interest on the Class D Notes and the Subordinated Notes; and payment of interest on the Class D Notes will be subordinated in right of payment to payments of

interest in respect of the Class A Notes, the Class B Notes and the Class C Notes, but senior in right of payment to payments of interest in respect of the Subordinated Notes.

No amount of principal in respect of the Class B Notes shall become due and payable until redemption and payment in full of the Class A Notes. No amount of principal in respect of the Class C Notes shall become due and payable until redemption and payment in full of the Class A Notes and the Class B Notes. No amount of principal in respect of the Class D Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes. Subject to the applicability of the Post-Acceleration Priority of Payments, the Subordinated Note holders will be entitled to receive, out of Principal Proceeds, the amounts described under the Principal Priority of Payments on a *pari passu* basis. Payments on the Subordinated Notes are subordinated to payments on the Rated Notes and other amounts described in the Priorities of Payments and no payments out of Principal Proceeds will be made on the Subordinated Notes until the Rated Notes and other payments ranking prior to the Subordinated Notes in accordance with the Priorities of Payments are paid in full.

(c) Priorities of Payments

The Transaction Administrator shall (on the basis of the Payment Date Report prepared by the Transaction Administrator in consultation with the Collateral Manager in accordance with the terms of the Collateral Management and Administration Agreement on each Determination Date), on behalf of the Issuer on each Notes Payment Date: (i) (A) prior to the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) (where the Post-Acceleration Priority of Payments shall apply subsequent to such acceleration); (B) following delivery of an Enforcement Notice (deemed or otherwise) which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Note Event of Default*); and (ii) other than (A) in connection with an optional redemption in whole under Condition 7(b) (*Optional Redemption*) or (B) in accordance with Condition 7(f) (*Redemption following Note Tax Event*) (in which event the Post-Acceleration Priority of Payments shall apply), instruct the Account Bank to disburse Interest Proceeds and Principal Proceeds from the Payment Account, in each case, in accordance with the following Priorities of Payments:

(i) Application of Interest Proceeds

Save as further provided below, Interest Proceeds in respect of a Due Period shall be applied and paid on the Notes Payment Date immediately following such Due Period in the following order of priority:

(A) to the payment of accrued taxes owing by the Issuer in respect of the related Due Period, as certified by an Authorised Officer to the Transaction Administrator, if any (save for any tax payable in relation to any amount payable to the Secured Parties);

(B) to the payment of accrued and unpaid Trustee Fees and Expenses, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period, **provided that** upon the occurrence of a Note Event of Default which is continuing, the Senior Expenses Cap shall not apply in respect of such Trustee Fees and Expenses;

(C) to the payment of Administrative Expenses in the payment priority stated in the definition thereof, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to paragraph (B) above, **provided that** upon the occurrence of a Note Event of Default which is continuing, the Senior Expenses Cap shall not apply in respect of such Administrative Expenses;

(D) to be transferred to the General Reserve Account in such amount (if any) as is required to ensure the balance of the General Reserve Account is equal to the General Reserve Account Cap;

(E) to the payment:

(I) firstly, to the Collateral Manager, the Senior Collateral Management Fee due and payable on such Notes Payment Date (save for any Deferred Senior Collateral Management Fee), **provided, however, that** the Collateral Manager may, in its sole discretion, elect to (w) direct the Issuer to pay any Senior Collateral Management Fee, or any part thereof, to a Collateral Manager Related Party, (x) irrevocably waive, (y) designate for reinvestment in Reinvestment Infra Loan Obligations or redemption of Notes or (z) defer payment of some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (E) (any such amounts pursuant to (y) or (z) above being the "**Deferred Senior Collateral Management Fee**") on any Notes Payment Date, **provided that** any such amount in the case of (y) above shall be deposited in the Principal Account pending purchase of Reinvestment Infra Loan Obligations or redemption of Notes or, in the case of (z) above, shall be applied to the payment of amounts in accordance with paragraphs (F) through (Y) below, subject in each case to the Collateral Manager having notified the Transaction Administrator in writing not later than the relevant Determination Date of any amounts to be so applied; and

(II) secondly, to the Collateral Manager, any previously due and unpaid Senior Collateral Management Fee (other than the Deferred Senior Collateral Management Fee);

(F) to the payment on a *pro rata* and *pari passu* basis of all Interest Amounts due and payable on the Class A Notes in respect of the Accrual Period ending immediately prior to such Notes Payment Date and all other Interest Amounts due and payable on such Class A Notes;

(G) to the payment on a *pro rata* and *pari passu* basis of all Interest Amounts due and payable on the Class B Notes in respect of the Accrual Period ending immediately prior to such Notes Payment Date and all other Interest Amounts due and payable on such Class B Notes;

(H) if the Class A/B Overcollateralisation Test is not satisfied on any Determination Date or, if the Class A/B Interest Coverage Test is not satisfied on the Determination Date immediately preceding the second Notes Payment Date or any Determination Date thereafter, to the redemption of the Rated Notes in accordance with the Note Payment Sequence to the extent necessary to cause all Class A/B Coverage Tests to be satisfied if recalculated immediately following such redemption assuming the scheduled interest payments due on the Class A Notes and the Class B Notes for the purpose of determining the recalculated Class A/B Coverage Tests shall be calculated using the Principal Amount Outstanding of the Class A Notes and the Class B Notes after such redemption;

(I) to the payment on a *pro rata* basis of the Interest Amounts due and payable on the Class C Notes in respect of the Accrual Period ending immediately prior to such Notes Payment Date (excluding any Deferred Interest on the Class C Notes but including interest on Deferred Interest on the Class C Notes in respect of the relevant Accrual Period);

(J) if the Class C Overcollateralisation Test is not satisfied on any Determination Date or, if the Class C Interest Coverage Test is not satisfied on the Determination Date

immediately preceding the second Notes Payment Date or any Determination Date thereafter, to the redemption of the Rated Notes in accordance with the Note Payment Sequence to the extent necessary to cause all Class C Coverage Tests to be satisfied if recalculated immediately following such redemption assuming the scheduled interest payments due on the Class C Notes for the purpose of determining the recalculated Class C Coverage Tests shall be calculated using the Principal Amount Outstanding of the Class C Notes after such redemption;

(K) to the payment on a *pro rata* basis of any Deferred Interest on the Class C Notes which is due and payable pursuant to Condition 6(d) (*Deferral of Interest*);

(L) to the payment on a *pro rata* basis of the Interest Amounts due and payable on the Class D Notes in respect of the Accrual Period ending immediately prior to such Notes Payment Date (excluding any Deferred Interest on the Class D Notes but including interest on Deferred Interest on the Class D Notes in respect of the relevant Accrual Period);

(M) if the Class D Overcollateralisation Test is not satisfied on any Determination Date or, if the Class D Interest Coverage Test is not satisfied on the Determination Date immediately preceding the second Notes Payment Date or any Determination Date thereafter, to the redemption of the Rated Notes in accordance with the Note Payment Sequence to the extent necessary to cause all Class D Coverage Tests to be satisfied if recalculated immediately following such redemption assuming the scheduled interest payments due on the Class D Notes for the purpose of determining the recalculated Class D Coverage Tests shall be calculated using the Principal Amount Outstanding of the Class D Notes after such redemption;

(N) to the payment on a *pro rata* basis of any Deferred Interest on the Class D Notes which is due and payable pursuant to Condition 6(d) (*Deferral of Interest*);

(O) to the payment of Trustee Fees and Expenses (if any) not paid by reason of exceeding the Senior Expenses Cap;

(P) to the payment of Administrative Expenses (if any) not paid by reason of the Senior Expenses Cap, in relation to each item thereof in the order of priority stated in the definition thereof;

(Q) to be transferred to the Risk Protection Reserve Account in such amount (if any) as directed by the Collateral Manager to procure and/or renew Risk Protection in accordance with the terms of the Collateral Management and Administration Agreement;

(R) to the payment of any interest due and payable as communicated by the Sponsor to the Transaction Administrator on each Risk Protection Sponsor Loan (if any) on a *pro rata* basis, in accordance with the terms of the Closing Sponsor Loans Agreement;

(S) to the payment of any interest due and payable as communicated by the Sponsor to the Transaction Administrator on the Bridging Sponsor Loan, in accordance with the terms of the Closing Sponsor Loans Agreement;

(T) on and from the Notes Payment Date scheduled to fall on 19 April 2025, as communicated by the Sponsor to the Transaction Administrator, to repay each Risk Protection Sponsor Loan (if any) on a *pro rata* basis until each Risk Protection Sponsor Loan is repaid in full;

(U) on and from the Notes Payment Date scheduled to fall on 19 April 2025, as communicated by the Sponsor to the Transaction Administrator, to repay the Bridging Sponsor Loan until the Bridging Sponsor Loan is repaid in full;

(V) to the payment:

(I) *firstly*, to the Collateral Manager, the Junior Collateral Management Fee due and payable on such Notes Payment Date (save for any Deferred Junior Collateral Management Fee), **provided however that** the Collateral Manager may, in its sole discretion, elect to (w) direct the Issuer to pay any Junior Collateral Management Fee, or any part thereof, to a Collateral Manager Related Party, (x) irrevocably waive or (y) defer payment of some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (V) (any such amounts pursuant to (y) above being the "**Deferred Junior Collateral Management Fee**") on any Notes Payment Date, **provided that** any such deferred amount shall be applied to the payment of amounts in accordance with paragraphs (W) through (Y) below, subject in each case to the Collateral Manager having notified the Transaction Administrator in writing not later than the relevant Determination Date of any amounts to be so applied; and

(II) *secondly*, to the Collateral Manager, any previously due and unpaid Junior Collateral Management Fee (other than the Deferred Junior Collateral Management Fee);

(W) to the payment of, at the Collateral Manager's election, all or a portion of any Deferred Collateral Management Fee;

(X) unless the Collateral Manager, exercising its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement, elects to defer such payment, to the payment on a *pro rata* basis of the Interest Amounts due and payable on the Subordinated Notes in respect of the Accrual Period ending immediately prior to such Notes Payment Date (excluding any Deferred Interest on the Subordinated Notes but including interest on Deferred Interest on the Subordinated Notes in respect of the relevant Accrual Period);

(Y) unless the Collateral Manager, exercising its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement, elects to defer such payment, to the payment on a *pro rata* basis of any Deferred Interest on the Subordinated Notes which is due and payable pursuant to Condition 6(d) (*Deferral of Interest*).

Any remaining Interest Proceeds shall be retained in the Payment Account for further distribution on the next following Notes Payment Date.

For the avoidance of doubt, any Collateral Management Fee which is deferred, waived or designated for reinvestment or redemption of Notes pursuant to paragraphs (E) or (V) above shall not be treated as due and payable pursuant to paragraphs (E)(I), (E)(II), (V)(I) or (V)(II) above.

(ii) Application of Principal Proceeds

Principal Proceeds in respect of a Due Period shall be applied and paid on the Notes Payment Date immediately following such Due Period in the following order of priority:

(A) to the payment on a sequential basis of the amounts referred to in paragraphs (A) through (G) (both inclusive) of the Interest Priority of Payments, but only to the extent not paid in full thereunder;

(B) to the payment of the amounts referred to in paragraph (H) of the Interest Priority of Payments (but only to the extent not paid in full thereunder) where necessary to cause the Class A/B Coverage Tests that are applicable on such Notes Payment Date with respect to the Class A Notes and the Class B Notes to be satisfied if recalculated immediately following such redemption of the Rated Notes;

(C) to the payment of the amounts referred to in paragraph (I) of the Interest Priority of Payments, but only to the extent not paid in full thereunder and only to the extent that the Class C Notes are the Controlling Class;

(D) to the payment of the amounts referred to in paragraph (J) of the Interest Priority of Payments, but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class C Coverage Tests that are applicable on such Notes Payment Date with respect to the Class C Notes to be satisfied if recalculated immediately following such redemption of the Rated Notes;

(E) to the payment of the amounts referred to in paragraph (K) of the Interest Priority of Payments, but only to the extent not paid in full thereunder and to the extent that the Class C Notes are the Controlling Class;

(F) to the payment of the amounts referred to in paragraph (L) of the Interest Priority of Payments, but only to the extent not paid in full thereunder and only to the extent that the Class D Notes are the Controlling Class;

(G) to the payment of the amounts referred to in paragraph (M) of the Interest Priority of Payments, but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class D Coverage Tests that are applicable on such Notes Payment Date with respect to the Class D Notes to be satisfied if recalculated immediately following such redemption of the Rated Notes;

(H) to the payment of the amounts referred to in paragraph (N) of the Interest Priority of Payments, but only to the extent not paid in full thereunder and to the extent that the Class D Notes are the Controlling Class;

(I) if such Notes Payment Date is a Redemption Date in respect of which the Rated Notes are being redeemed in full (other than a Special Redemption Date or after the Reinvestment Period has ended), to redeem the Rated Notes in accordance with the Note Payment Sequence;

(J) if such Notes Payment Date is a Special Redemption Date, at the election of the Collateral Manager to make payments in an amount equal to the Special Redemption Amount (if any) applicable to such Notes Payment Date in accordance with the Note Payment Sequence;

(K) during the Reinvestment Period and with respect to the Reinvestment Proceeds only, at the discretion of the Collateral Manager, either to the purchase of Reinvestment Infra Loan Obligations or to transfer/remit into the Principal Account pending reinvestment in Reinvestment Infra Loan Obligations at a later date during the Reinvestment Period, in each case in accordance with the Collateral Management and Administration Agreement;

(L) to redeem the Rated Notes in accordance with the Note Payment Sequence;

(M) to the payment of, at the Collateral Manager's election, all or a portion of any Deferred Collateral Management Fee; and

(N) to the payment on the Subordinated Notes on a *pro rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by their holders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

(d) Non-payment of Amounts

Failure on the part of the Issuer to pay the Interest Amounts on the Class A Notes or the Class B Notes pursuant to Condition 6 (*Interest*) in accordance with the Priorities of Payments by reason solely that there are insufficient funds standing to the credit of the Payment Account shall not be a Note Event of Default unless and until such failure continues for a period of at least five Business Days (or seven Business Days in the case of an administrative error or omission as described in Condition 10 (*Note Events of Default*)), save in each case as the result of any deduction therefrom or the imposition of withholding thereon as set forth in Condition 9 (*Taxation*).

For so long as any of the Class A Notes or Class B Notes remain Outstanding, failure on the part of the Issuer to pay the Interest Amounts on the Class C Notes, the Class D Notes or the Subordinated Notes pursuant to Condition 6 (*Interest*) in accordance with the Priorities of Payments by reason solely that there are insufficient funds standing to the credit of the Payment Account shall not constitute a Note Event of Default, but instead such unpaid Interest Amounts will constitute Deferred Interest pursuant to Condition 6(d) (*Deferral of Interest*). After redemption in full of the Class A Notes and the Class B Notes, failure on the part of the Issuer to pay the Interest Amounts on the Class C Notes, the Class D Note or the Subordinated Notes pursuant to Condition 6 (*Interest*) by reason solely that there are insufficient funds standing to the credit of the Payment Account shall only constitute a Note Event of Default where such Class of Notes with any unpaid Interest Amounts is the Controlling Class and, if this is not the case, such unpaid Interest Amount will constitute Deferred Interest pursuant to Condition 6(d) (*Deferral of Interest*).

Failure on the part of the Issuer to pay any principal when the same becomes due and payable on any Note on the Maturity Date or any Redemption Date shall be a Note Event of Default, **provided that**, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least five Business Days after the Issuer, the Transaction Administrator and the Principal Paying Agent receive written notice of, or have actual knowledge of, such administrative error or omission, and **provided further that** failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is given to cancel such redemption in accordance with the Conditions will not constitute a Note Event of Default.

Subject always, to the case of Interest Amounts payable in respect of the Class C Notes, the Class D Notes and the Subordinated Notes pursuant to Condition 6(d) (*Deferral of Interest*) and save as otherwise provided in respect of any unpaid Collateral Management Fees, in the event of non-payment of any amounts referred to in the Interest Priority of Payments or the Principal

Priority of Payments on any Notes Payment Date, such amounts shall remain due and shall be payable on each subsequent Notes Payment Date in the orders of priority provided for in this Condition 3 (*Status*). References to the amounts referred to in the Interest Priority of Payments and the Principal Priority of Payments of this Condition 3 (*Status*) shall include any amounts thereof not paid when due and still outstanding in accordance with this Condition 3 (*Status*) on any preceding Notes Payment Date.

(e) Determination and Payment of Amounts

The Transaction Administrator will, in consultation with the Collateral Manager, as of (and including) each Determination Date, calculate the amounts payable on the applicable Notes Payment Date pursuant to the Priorities of Payments and will notify the Issuer and the Trustee of such amounts. The Account Bank, acting on the instructions of the Transaction Administrator and in accordance with the Payment Date Report compiled by the Transaction Administrator on behalf of the Issuer, shall, on behalf of the Issuer not later than 3.00 p.m. (Hong Kong time) on the Business Day preceding each Notes Payment Date, cause the amounts standing to the credit of the Principal Account and, if applicable, the Interest Account (together with, to the extent applicable, amounts standing to the credit of any other Account) to the extent required to pay the amounts referred to in the Interest Priority of Payments and the Principal Priority of Payments which are payable on such Notes Payment Date, to be transferred to the Payment Account in accordance with Condition 3(j) (*Payments to and from the Accounts*).

(f) *De Minimis* Amounts

The Transaction Administrator may, in consultation with the Collateral Manager, adjust the amounts required to be applied to the payment of principal on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Subordinated Notes from time to time pursuant to the Priorities of Payments so that the amount to be so applied in respect of each Class A Note, Class B Note, Class C Note, Class D Note and Subordinated Note is a whole amount, not involving any fraction of a US$0.01 or, at the discretion of the Transaction Administrator, part of a US Dollar.

(g) Publication of Amounts

The Transaction Administrator on behalf of the Issuer will cause details of the amounts of interest and principal to be paid, and any amounts of interest payable but not paid, on each Notes Payment Date in respect of the Notes to be notified at the expense of the Issuer to the Issuer, the Trustee, the Principal Paying Agent and the Registrar, and the Issuer will cause details of the principal amounts outstanding of the Rated Notes after giving effect to the principal payments, if any, on the next Notes Payment Date, to be notified to the SEHK upon issue of each Payment Date Report by submission to the SEHK of such Payment Date Report.

(h) Notifications to be Final

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained or discretions exercised for the purposes of the provisions of this Condition 3 (*Status*) will (in the absence of manifest error) be binding on the Issuer, the Transaction Administrator, the Collateral Manager, the Trustee, the Registrar, the Paying Agents, the Transfer Agents and all Noteholders and (in the absence of gross negligence, fraud or wilful default of the Transaction Administrator) no liability to the Issuer or the Noteholders shall attach to the Transaction Administrator in connection with the exercise, delay in exercising, or non-exercise by it of its powers, duties and discretions under this Condition 3 (*Status*).

(i) Accounts

The Issuer shall, on or prior to the Closing Date, establish the following accounts with the Account Bank:

(i) the Principal Account;

(ii) the Principal Fixed Deposit Account;

(iii) the Interest Account;

(iv) the Interest Fixed Deposit Account;

(v) the Payment Account;

(vi) the Undrawn Commitment Account;

(vii) the Undrawn Commitment Fixed Deposit Account;

(viii) the General Reserve Account;

(ix) the Risk Protection Reserve Account; and

(x) the Collection Account.

The Issuer or the Collateral Manager (acting on behalf of the Issuer) may, from time to time, establish any Eligible Depository Account for the purpose of investing in Eligible Fixed Deposits.

The Account Bank shall at all times be a financial institution satisfying the Rating Requirement applicable thereto, which is a resident in Hong Kong or which is acting through an office not situated in Hong Kong but with the necessary regulatory capacity and required licences to provide its services to Hong Kong counterparties as a matter of the laws of Hong Kong. If the Account Bank at any time fails to satisfy the Rating Requirement, the Issuer shall use reasonable endeavours to procure that a replacement account bank, which satisfies the Rating Requirement, is appointed in accordance with the provisions of the Agency and Account Bank Agreement.

If, at any time, an Eligible Depository Institution that the Issuer has an Eligible Fixed Deposit with fails to satisfy the Rating Requirement, the Issuer shall, within 30 calendar days from the date that the rating of such Eligible Depository Institution failed to satisfy the Rating Requirement, make a demand for immediate repayment (without penalty or discount) of such Eligible Fixed Deposit.

The Collateral Manager may, from time to time, invest (acting on behalf of the Issuer) in Eligible Fixed Deposit using any amounts standing to the credit of the Undrawn Commitment Fixed Deposit Account, the Principal Fixed Deposit Account, the Interest Fixed Deposit Account and any Eligible Depository Account.

All interest accrued on any of the Accounts or Eligible Depository Account from time to time, other than the Payment Account, shall be paid into the Interest Account, save to the extent that the Issuer is contractually bound to pay such amounts to a third party.

All amounts received in respect of any Eligible Fixed Deposit shall be credited back to the Undrawn Commitment Fixed Deposit Account, the Principal Fixed Deposit Account, the Interest Fixed Deposit Account or any Eligible Depository Account from which the amounts invested in such Eligible Fixed Deposit were originally withdrawn (as the case may be) as soon as practicable upon maturity or repayment (as the case may be). After receipt of any final payment or repayment amount in respect of any Eligible Fixed Deposit in any Eligible Depository Account, the Issuer shall as soon as practicable (i) procure payment of any such amount out of such Eligible Depository Account into the relevant Account from which the amounts invested in such Eligible Fixed Deposit were originally withdrawn; or (ii) make another Eligible Fixed Deposit with any such amount.

To the extent that any amounts required to be paid into any Account pursuant to the provisions of this Condition 3 (*Status*) are denominated in a currency other than US$, the Collateral Manager, acting on behalf of the Issuer, may procure the conversion of such amounts into the currency of the Account at the Spot Rate as determined by the Transaction Administrator at the direction of and in consultation with the Collateral Manager.

Notwithstanding any other provisions of this Condition 3(i) (*Accounts*), all amounts standing to the credit of the Collection Account (to the extent that such amounts are not Interest Proceeds as determined by the Transaction Administrator, or are not Overpaid Amounts or Non-Waterfall Amounts as determined by the Collateral Manager, in each case, in accordance with Condition 3(j)(x) below) and the Principal Account shall be transferred to the Payment Account (and shall constitute Principal Proceeds) on the Business Day prior to redemption of all the Notes in full, and all amounts standing to the credit of each of the Interest Account, the Collection Account (to the extent that such amounts are not Principal Proceeds, Overpaid Amounts or Non-Waterfall Amounts as determined by the Collateral Manager), the General Reserve Account and the Risk Protection Reserve Account shall be transferred to the Payment Account as Interest Proceeds on the Business Day prior to redemption of all the Notes in full.

(j) Payments to and from the Accounts

(i) Principal Account

The Issuer will procure that the following amounts are paid from the Collection Account into the Principal Account within three Business Days of the date of receipt of such amounts into the Collection Account:

(A) all principal payments received in respect of any Infra Loan Obligation including, without limitation:

(I) Scheduled Principal Proceeds;

(II) Unscheduled Principal Proceeds; and

(III) any other principal payments with respect to Infra Loan Obligations (to the extent not included in the Disposal Proceeds); but excluding all Principal Proceeds received both before and after the Reinvestment Period in connection with the acceptance of an Offer;

(B) all interest and other amounts received in respect of any Defaulted Obligation for so long as it is a Defaulted Obligation (save for Defaulted Obligation Excess Amounts);

(C) all premiums (including prepayment premiums) receivable upon repayment of any Infra Loan Obligation at maturity or otherwise or upon exercise of any put or call option in respect thereof which is above the outstanding principal amount of any Infra Loan Obligation;

(D) all fees and commissions received in connection with the purchase or sale of any existing or additional Infra Loan Obligations or workout or restructuring of any Defaulted Obligations or Infra Loan Obligations as determined by the Collateral Manager using its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement;

(E) all Disposal Proceeds received in respect of an Infra Loan Obligation;

(F) amounts transferred to the Principal Account from any other Account in accordance with Conditions 3(j)(ii) to (x) below;

(G) all proceeds received from the issuance of any Additional Notes (including Subordinated Notes) that are not invested, reinvested or retained for purchase of Infra Loan Obligations or Reinvestment Infra Loan Obligations, in each case in accordance with Condition 17 (*Additional Issuances of Notes*) and all Refinancing Proceeds;

(H) any other amounts received in respect of the Collateral which are not required to be paid into another Account;

(I) all principal payments received in respect of any Infra Loan Obligation which did not satisfy the Reinvestment Criteria on the date it was required to do so and which has not been sold by the Collateral Manager in accordance with the Collateral Management and Administration Agreement;

(J) all amounts received in respect of any Risk Protection procured by the Collateral Manager (acting on behalf of the Issuer) designated as Principal Proceeds by the Collateral Manager in accordance with the terms of the Collateral Management and Administration Agreement; and

(K) any other amounts which are not required to be paid into any other Account in accordance with this Condition 3(j) (*Payments to and from the Accounts*).

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made) out of the Principal Account:

(I) as soon as practicable after the date of receipt of such amounts into the Principal Account during the related Due Period, all amounts standing to the credit of the Principal Account to the Principal Fixed Deposit Account;

(II) on the Business Day prior to each Notes Payment Date, all Principal Proceeds standing to the credit of the Principal Account to the Payment Account to the extent required for disbursement pursuant to the Principal Priority of Payments, save for: (a) amounts deposited after the end of the related Due Period; and (b) during the Reinvestment Period, any Reinvestment Proceeds deposited prior to the end of the related Due Period to the extent such Reinvestment Proceeds are eligible and have been designated for reinvestment by the Collateral Manager (acting on behalf of the Issuer) pursuant to the Collateral Management and Administration Agreement for a period beyond such Notes Payment Date, and such designated amounts described in (a) and/or (b) have been notified to the Transaction Administrator at least two Business Days prior to each Notes Payment Date;

(III) at any time during the Reinvestment Period, at the discretion of the Collateral Manager (acting on behalf of the Issuer) in accordance with the terms of, and to the extent permitted under, the Collateral Management and Administration Agreement, all Reinvestment Proceeds for the purposes of acquiring Reinvestment Infra Loan Obligations; and

(IV) on any Business Day, in each case, all Refinancing Proceeds in or towards redemption of the Rated Notes, subject to and in accordance with the provisions of Condition 7(b)(iv) (*Optional Redemption effected in whole or in part through Refinancing*).

For the avoidance of doubt, where the Collateral Manager has not identified, has not been able to identify, or does not expect to identify any Reinvestment Infra Loan Obligations for the purposes of acquisition, any Reinvestment Proceeds not used for acquisition of Reinvestment Infra Loan Obligations and standing to the credit of the Principal Account may, as determined by the Collateral Manager exercising its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement, be paid out of the Principal Account to the Payment Account to the extent required for disbursement pursuant to the Principal Priority of Payments in accordance with Condition 7(d) (*Special Redemption*).

(ii) Interest Account

The Issuer will procure that:

(A) on the Closing Date, any amounts remaining in the Collection Account, after giving effect to the payments set out in Condition 3(j)(x)(I), are credited to the Interest Account;

(B) following the Closing Date, any interest received by the Issuer on (x) the Principal Fixed Deposit Amount standing to the credit of the Principal Fixed Deposit Account, (y) the Interest Fixed Deposit Amount standing to the credit of the Interest Fixed Deposit Account and (z) the Undrawn Commitment Fixed Deposit Amount standing to the credit of the Undrawn Commitment Fixed Deposit Account are transferred from the Interest Fixed Deposit Account (in accordance with Condition 3(j)(vii)), the Principal Fixed Deposit Account (in accordance with Condition 3(j)(vi)) and the Undrawn Commitment Fixed Deposit Account (in accordance with Condition 3(j)(v)) are credited to the Interest Account;

(C) following the Closing Date, if the Collateral Manager (acting on behalf of the Issuer) has procured and/or renewed any Risk Protection, on the date falling two Business Days before the Notes Payment Date occurring immediately after such procurement and/or renewal of Risk Protection, any amounts remaining in the Risk Protection Reserve Account are credited to the Interest Account; and

(D) following the Closing Date, the following amounts (including Interest Proceeds) are paid from the Collection Account into the Interest Account within three Business Days of the date of receipt of such amounts into the Collection Account:

(I) all cash payments of interest in respect of the Infra Loan Obligations, together with all amounts received by the Issuer by way of gross-up in respect of such interest and in respect of a claim for refund of taxes previously withheld on interest under any applicable double taxation treaty but excluding any interest received in respect of any Defaulted Obligations for so long as it is a Defaulted Obligation other than Defaulted Obligation Excess Amounts;

(II) all interest accrued on the Balance standing to the credit of the Interest Account from time to time and all interest accrued in respect of the Balances standing to the credit of the other Accounts other than the Payment Account;

(III) all amendment and waiver fees, all late payment fees, all commitment fees, syndication fees, delayed compensation, guarantee fees, insurance premium fees and all other fees and commissions received in connection with any Infra Loan Obligations as determined by the Collateral Manager exercising its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement (other than fees and commissions received in connection with the purchase or sale of any existing or additional Infra Loan Obligations or workout or restructuring of any Defaulted Obligations or Infra Loan Obligations which fees and commissions shall be payable into the Principal Account and shall constitute Principal Proceeds);

(IV) all amounts and grants received by the Issuer, including any reimbursements of qualifying expenses;

(V) all accrued interest included in the proceeds of sale of any other Infra Loan Obligation that are designated by the Collateral Manager as Interest Proceeds pursuant to the Collateral Management and Administration Agreement (**provided that** no such designation may be made in respect of a Defaulted Obligation save for Defaulted Obligation Excess Amounts);

(VI) all cash payments of interest in respect of any Infra Loan Obligation which did not satisfy the Reinvestment Criteria on the date it was required to do so and that have not been sold by the Collateral Manager, together with all amounts received by the Issuer by way of gross-up in respect of such interest and in respect of a claim for refund of taxes previously withheld on interest under any applicable double taxation treaty in accordance with the Collateral Management and Administration Agreement;

(VII) all amounts received in respect of any Risk Protection procured by the Collateral Manager and designated as Interest Proceeds by the Collateral Manager; and

(VIII) on the Closing Date, the proceeds of the Bridging Sponsor Loan to the extent not utilised to fund the General Reserve Account up to the General Reserve Account Cap.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made) out of the Interest Account:

(I) as soon as practicable after the date of receipt of such amounts into the Interest Account during the related Due Period, all amounts standing to the credit of the Interest Account to the Interest Fixed Deposit Account;

(II) on the Business Day prior to each Notes Payment Date, all Interest Proceeds standing to the credit of the Interest Account shall be transferred to the Payment Account save for amounts deposited after the end of the related Due Period;

(III) at any time in accordance with the terms of, and to the extent permitted under, the Collateral Management and Administration Agreement, such amount in the acquisition of Infra Loan Obligations to the extent that any such acquisition costs represent accrued interest to be acquired; and

(IV) at any time, such amount towards the payment of any costs and expenses (including transfer fees) relating to the purchase and sale of Infra Loan Obligations.

(iii) Payment Account

The Issuer will procure that, on the Business Day prior to each Notes Payment Date, all amounts standing to the credit of each of the Accounts which are required to be transferred from such Accounts to the Payment Account pursuant to Condition 3(i) (*Accounts*) and this Condition 3(j) (*Payments to and from the Accounts*) are so transferred and, on such Notes Payment Date, the Transaction Administrator shall instruct the Account Bank (acting on the basis of the Payment Date Report) to disburse such amounts in accordance with the Priorities of Payments. No amounts shall be transferred to or withdrawn from the Payment Account at any other time or in any other circumstances.

(iv) Undrawn Commitment Account

The Issuer will procure that, on the Closing Date, an amount equal to the Undrawn Commitment Amount is transferred to the Undrawn Commitment Account in accordance with Condition 3(j)(x)(I)(3).

Amounts in the Undrawn Commitment Account shall be withdrawn from time to time to fund the Issuer's financing obligations in respect of relevant Loans under the relevant Novated Facility or Participation in respect of the Undrawn Commitment in accordance with the Collateral Management and Administration Agreement.

The Issuer will further procure that any interest received on the balance of the Undrawn Commitment Account is paid out of the Undrawn Commitment Account into the Interest Account by no later than two Business Days prior to each Notes Payment Date.

Upon the cancellation of, or expiry of the availability period in respect of the Undrawn Commitment, the Issuer shall procure that an aggregate amount equal to the outstanding balance of the Undrawn Commitment is:

(A) if that cancellation or expiry occurs during the Reinvestment Period, at the discretion of the Collateral Manager, in its reasonable judgement pursuant to the Collateral Management and Administration Agreement either:

(I) withdrawn from the Undrawn Commitment Account and used to purchase Reinvestment Infra Loan Obligations; or

(II) transferred from the Undrawn Commitment Account to the Principal Account pending reinvestment in Reinvestment Infra Loan Obligations at a later date during the Reinvestment Period; and

(B) if that cancellation or expiry occurs following the expiry of the Reinvestment Period, transferred from the Undrawn Commitment Account to the Principal Account for application in accordance with the Priorities of Payments on the next Notes Payment Date as if such balance constituted Principal Proceeds.

(v) Undrawn Commitment Fixed Deposit Account

The Issuer will procure that as soon as practicable after the date of receipt of any amount into the Undrawn Commitment Account in accordance with Condition 3(j)(x)(I)(3), all amounts standing to the credit of the Undrawn Commitment Account are paid into the Undrawn Commitment Fixed Deposit Account (the "**Undrawn Commitment Fixed Deposit Amount**").

The Issuer shall procure that sufficient funds are transferred from the Undrawn Commitment Fixed Deposit Account to the Undrawn Commitment Account to satisfy any withdrawals to be made from the Undrawn Commitment Account.

The Issuer will further procure that any interest received on the balance of the Undrawn Commitment Fixed Deposit Account is paid out of the Undrawn Commitment Fixed Deposit Account into the Interest Account by no later than two Business Days prior to each Notes Payment Date.

(vi) Principal Fixed Deposit Account

The Issuer will procure that, as soon as practicable after the date of receipt of such amounts into the Principal Account during the related Due Period, all amounts standing to the credit of the Principal Account are paid into the Principal Fixed Deposit Account (the "**Principal Fixed Deposit Amount**").

The Issuer will procure that the Principal Fixed Deposit Amount standing to the credit of the Principal Fixed Deposit Account is paid out of the Principal Fixed Deposit Account into the Principal Account by no later than two Business Days prior to each Notes Payment Date.

The Issuer will further procure that any interest received on the Principal Fixed Deposit Amount standing to the credit of the Principal Fixed Deposit Account is paid out of the Principal Fixed Deposit Account into the Interest Account by no later than two Business Days prior to each Notes Payment Date.

(vii) Interest Fixed Deposit Account

The Issuer will procure that, as soon as practicable after the date of receipt of such amounts into the Interest Account during the related Due Period, all amounts standing to the credit of the Interest Account are paid into the Interest Fixed Deposit Account (the "**Interest Fixed Deposit Amount**").

The Issuer will procure that the Interest Fixed Deposit Amount standing to the credit of the Interest Fixed Deposit Account (including any interest on the Interest Fixed Deposit Amount) is paid out of the Interest Fixed Deposit Account into the Interest Account by no later than two Business Days prior to each Notes Payment Date.

(viii) General Reserve Account

The Issuer will procure that the following amounts are paid into the General Reserve Account:

(A) on the Closing Date, from the proceeds of the Bridging Sponsor Loan, an amount equal to the General Reserve Account Cap; and

(B) any amount applied to the payment into the General Reserve Account pursuant to Condition 3(c)(i)(D) (*Application of Interest Proceeds*) of the Interest Priority of Payments.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made) out of the General Reserve Account:

(I) amounts due or accrued with respect to actions taken on or in connection with the Closing Date with respect to the issue of Notes and the entry into the Transaction Documents;

(II) at any time, the amount of, firstly, Trustee Fees and Expenses, secondly, Administrative Expenses and thirdly, Interim Expenses which have accrued and become payable prior to the immediately following Notes Payment Date, upon receipt of invoices therefor from the relevant creditor, **provided that** any such payments, in aggregate, shall not cause the balance of the General Reserve Account to fall below zero;

(III) the Balance standing to the credit of the General Reserve Account to the Payment Account automatically upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*),

provided that, for the avoidance of doubt, in respect of item (I) above, there is no obligation for such payment to be made to the Principal Account, Interest Account or Payment Account (as applicable) prior to any Notes Payment Date unless the Issuer (or the Collateral Manager on its behalf) so directs.

(ix) Risk Protection Reserve Account

The Issuer will procure that the following amounts are paid into the Risk Protection Reserve Account:

(A) on any day, any proceeds of any Risk Protection Sponsor Loan; and

(B) any amount applied in payment into the Risk Protection Reserve Account pursuant to Condition 3(c)(i)(Q) (*Application of Interest Proceeds*) of the Interest Priority of Payments.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made) out of the Risk Protection Reserve Account:

(I) on any date, and in any amount, as directed by the Collateral Manager to procure and/or renew any Risk Protection in accordance with the Collateral Management and Administration Agreement, **provided that** any such payments, in aggregate, shall not cause the balance of the Risk Protection Reserve Account to fall below zero;

(II) if the Collateral Manager (acting on behalf of the Issuer) has procured and/or renewed any Risk Protection, on the date falling two Business Days before the Notes Payment Date occurring immediately after such procurement and/or renewal of Risk Protection, any amounts remaining in the Risk Protection Reserve Account are transferred to the Interest Account; and

(III) the Balance standing to the credit of the Risk Protection Reserve Account to the Payment Account automatically upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*).

(x) Collection Account

The Issuer or the Transaction Administrator will procure that the following amounts are credited to the Collection Account:

(A) on the Closing Date, the net proceeds of issue of the Notes;

(B) on any Additional Issue Dates, the net proceeds of issue of any Additional Notes;

(C) all amounts received in respect of any Collateral;

(D) all amounts received from any Risk Protection procured by the Collateral Manager;

(E) promptly upon receipt of such amounts from the relevant Obligor, the Principal Proceeds as set out in Condition 3(j)(i) (*Principal Account*); and

(F) promptly upon receipt of such amounts from the relevant Obligor, the Interest Proceeds as set out in Condition 3(j)(ii) (*Interest Account*),

provided that, the Collateral Manager shall determine whether any of the amounts referred to in items (C), (E) and (F) above is an Overpaid Amount or a Non-Waterfall Amount and, if so determined and notified to the Transaction Administrator, the Transaction Administrator shall procure that the Overpaid Amount or Non-Waterfall Amount is (as the case may be) (x) returned to the relevant payee thereof or Person (as the case may be) as soon as reasonably practicable and (y) in the meantime, continue to be held in the Collection Account on account, and the Issuer shall hold such amounts on trust for such Person.

The Issuer or the Transaction Administrator shall procure payment of the following amounts (and shall ensure that payment of no other amount is made) out of the Collection Account:

(I) on the Closing Date:

(1) to the Sponsor in an amount equal to the aggregate amount then due and payable by the Issuer (if any) under the Warehouse Sponsor Loan Deed (excluding, for the avoidance of doubt, any "Deferred IPA Interest" and "Deferred IPA Income" (both as defined in the Closing Sponsor Loans Agreement));

(2) in accordance with Condition 3(j)(viii) (*General Reserve Account*), to the General Reserve Account, an amount equal to the General Reserve Account Cap;

(3) to the Undrawn Commitment Account, an amount equal to the Undrawn Commitment Amount;

(4) to the Sponsor in an amount equal to the aggregate acquisition price due and payable under the Sponsor Collateral Acquisition Agreements;

(5) in accordance with Condition 3(j)(ii) (*Interest Account*), to the Interest Account, any amounts remaining in the Collection Account on the Closing Date;

(II) within three Business Days of receipt of Principal Proceeds, to the Principal Account; and

(III) within three Business Days of receipt of Interest Proceeds, to the Interest Account.

4. SECURITY

(a) Security

Pursuant to the Trust Deed, the obligations of the Issuer under the Notes, the Trust Deed, the Hong Kong Security Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement, the Closing Sponsor Loans Agreement, the Subscription Agreement, the Sponsor Collateral Acquisition Agreements, the Corporate Services Agreement, and, where applicable, any other Transaction Documents (together with the other obligations owed by the Issuer to the Secured Parties) are secured in favour of the Trustee for the benefit of the Secured Parties by:

(i) an assignment by way of security of all the Issuer's present and future rights, title, interest and receivables (and all entitlements or other benefits relating thereto) in respect of all Infra Loan Obligations held by the Issuer from time to time (where such rights are contractual rights (other than contractual rights the assignment of which would require the consent of a third party or the entry into of an agreement or deed) and where such contractual rights arise other than under securities), including, without limitation, moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(ii) a first fixed charge and first priority security interest created over all the Issuer's present and future rights, title, interest and receivables (and all entitlements or other benefits relating thereto) in respect of all Infra Loan Obligations and balances standing to the credit of each of the Accounts and any other investments, in each case held by the Issuer (where such assets are securities or contractual rights not assigned by way of security pursuant to paragraph (i) above and which are capable of being the subject of a first fixed charge and first priority security interest), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(iii) an assignment by way of security of all the Issuer's present and future rights under the Collateral Management and Administration Agreement, the Agency and Account Bank Agreement and each other Transaction Document (other than the Corporate Services Agreement) and, in each case, all sums derived therefrom; and

(iv) a floating charge over the whole of the Issuer's undertaking and assets to the extent that such undertaking and assets are not subject to any other security created pursuant to the Trust Deed,

excluding for the purpose of paragraphs (i) to (iv) (inclusive) above: (A) any and all assets, property or rights which are located in, or governed by the laws of, Hong Kong that are otherwise assigned or charged to the Trustee instead of pursuant to paragraphs (i) to (iv) (inclusive) above; and (B) the Issuer's rights under the Corporate Services Agreement.

Further, pursuant to the Hong Kong Security Deed, the Issuer, as legal and/or beneficial owner and as a continuing security for the due and punctual payment and discharge of all the Secured Obligations (i) charges and agrees to charge in favour of the Trustee (as security trustee for the Secured Parties) by way of first fixed charge and assigns and agrees to assign absolutely by way of security to the Trustee (as security trustee for the Secured Parties) each of the Accounts and Eligible Depository Accounts and all of the Issuer's rights, entitlements and benefits from time to time arising out of or in relation to the Accounts and any Eligible Depository Account (including, without limitation, any Eligible Fixed Deposit invested by the Issuer with the Account Bank and/or any Eligible Depository Institution from time to time), (ii) charges and agrees to charge by way of first fixed charge in favour of the Trustee (as security trustee for the Secured Parties) and assigns and agrees to assign absolutely by way of security to the Trustee (as security trustee for the Secured Parties) all of the Issuer's rights, title and interest from time to time in and to the Corporate Services Agreement, including all moneys payable to the Issuer and any claims, awards and judgments in favour of, receivable or received by the Issuer under or in connection with or pursuant to the Corporate Services Agreement and (iii) charges and agrees to charge in favour of the Trustee (as security trustee for the Secured Parties) by way of floating charge all of the Issuer's rights, claims, title and interest from time to time arising out of or in relation to the Accounts and any Eligible Depository Account (including, without limitation, any Eligible Fixed Deposit invested by the Issuer with the Account Bank and/or any Eligible Depository Institution from time to time).

The security over the Collateral is granted to the Trustee for itself and as trustee for the Secured Parties as continuing security for the payment of the Secured Obligations. The security will extend to the ultimate balance of all sums payable by the Issuer in respect of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

If, for any reason, the purported assignments by way of security of, and/or the creation or provision of first fixed charges and floating charges over, the property, assets, rights and/or benefits described above is found to be ineffective in respect of any such property, assets, rights and/or benefits (together, the "**Affected Collateral**"), the Issuer shall hold to the fullest extent permitted under Hong Kong or any other law the benefit of the Affected Collateral and any sums received in respect thereof or any security interest, guarantee or indemnity or undertaking of whatever nature given to secure such Affected Collateral (together, the "**Trust Collateral**") on trust for the Trustee for the benefit of the Secured Parties and shall (i) account to the Trustee for or otherwise apply all sums received in respect of such Trust Collateral as the Trustee may direct (**provided that**, subject to the Conditions and the terms of the Collateral Management and Administration Agreement, if no Note Event of Default has occurred and is continuing, the Issuer shall be entitled to apply the benefit of such Trust Collateral and such sums in respect of such Trust Collateral received by it and held on trust under this paragraph without prior direction from the Trustee) and (ii), following the occurrence of a Note Event of Default which is continuing, (x) exercise any rights it may have in respect of the Trust Collateral at the direction of the Trustee and (y) at its own cost take such action and execute such documents as the Trustee may in its sole discretion require.

All deeds, documents, assignments, instruments, bonds, notes, negotiable instruments, papers and any other instruments comprising, evidencing, representing and/or transferring the Portfolio will be deposited with or held by or on behalf of the Collateral Manager until the security over such obligations is irrevocably discharged in accordance with the provisions of the Trust Deed and the Hong Kong Security Deed. Pursuant to the terms of the Trust Deed and the Hong Kong Security Deed, the Trustee is exempted from any liability in respect of any loss or theft or reduction in value of the Collateral, from any obligation to insure the Collateral and from any claim arising from the fact that the Collateral is held in a depository or in safe custody by a bank or other custodian. The Trustee has no responsibility to monitor or ensure that the Principal Paying Agent or the Account Bank satisfies the Rating Requirement applicable to it or, in the event of its failure to satisfy such Rating Requirement, to procure the appointment of a replacement principal paying agent or account bank. The Trustee has no responsibility for the management of the Portfolio by the Collateral Manager or to supervise the administration of the Portfolio by the Transaction Administrator or by any other party, and is entitled to rely on the certificates or notices of any relevant party without further enquiry. The Trust Deed and the Hong Kong Security Deed also provide that the Trustee shall accept without investigation, requisition or objection such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Collateral, and is not bound to make any investigation into the same or into the Collateral in any respect.

(b) Application of Proceeds upon Enforcement

The Trust Deed and the Hong Kong Security Deed provide that the net proceeds of realisation of or enforcement with respect to the security over the Collateral constituted by the Trust Deed and the Hong Kong Security Deed shall be applied in accordance with the priorities of payments set out in Condition 11 (*Enforcement*).

(c) Limited Recourse and Non-Petition

The obligations of the Issuer to pay amounts due and payable in respect of the Notes and its other obligations to the Secured Parties at any time shall be limited to the proceeds available at such time to make such payments in accordance with the Priorities of Payments or otherwise provided for in these Conditions in respect of any Non-Waterfall Amount or Overpaid Amount. Notwithstanding anything to the contrary in these Conditions or any Transaction Document, if the net proceeds of realisation of the security constituted by the Trust Deed and the Hong Kong Security Deed upon enforcement thereof in accordance with Condition 11 (*Enforcement*) and the provisions of the Trust Deed, the Hong Kong Security Deed or otherwise are less than the aggregate amount payable

in such circumstances by the Issuer in respect of the Notes and its other obligations to the Secured Parties (such negative amount being referred to herein as a "**Shortfall**"), the obligations of the Issuer in respect of the Notes of each Class and its other obligations to the Secured Parties in such circumstances will be limited to such net proceeds, which shall be applied in accordance with the Priorities of Payments or otherwise provided for in these Conditions in respect of any Non-Waterfall Amount or Overpaid Amount. In such circumstances, other assets of the Issuer will not be available for payment of such Shortfall. In such circumstances, the rights of the Secured Parties to receive any further amounts in respect of the Issuer's obligations to pay any amounts due and payable in respect of the Notes and its other obligations to the Secured Parties shall be extinguished, and none of the Noteholders or the other Secured Parties may take any further action to recover such amounts of Shortfall. None of the Noteholders, the Trustee or the other Secured Parties (or any other Person acting on behalf of any of them, whether directly or indirectly) shall, or shall be entitled at any time to, take any step to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, moratorium, insolvency, scheme of arrangement, examinership, winding-up or liquidation proceedings or other proceedings under any applicable bankruptcy, insolvency or similar law in connection with any obligations of the Issuer relating to the Notes of any Class or otherwise owed to the Secured Parties, save for lodging a claim in the liquidation of the Issuer which is initiated by another non-Affiliated party or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer, and without limitation to the Trustee's right to enforce and/or realise the security constituted by the Trust Deed and/or the Hong Kong Security Deed (including by appointing a receiver or an administrative receiver).

In addition, none of the Noteholders or any other Secured Parties shall have any recourse against any Director, shareholder or officer of the Issuer in respect of any obligations, covenants or agreements entered into or made by the Issuer pursuant to the terms of these Conditions or any other Transaction Document to which the Issuer is a party or any notice or documents which it is requested to deliver hereunder or thereunder.

None of the Trustee, the Directors, the Sole Global Coordinator, the Joint Bookrunners, the Collateral Manager, the Collateral Manager Related Parties, the Retention Holder, the Sponsor, the Corporate Service Providers or any Agent has any obligation to any Noteholder of any Class for payment of any amount by the Issuer in respect of the Notes of any Class.

(d) Acquisition and Sale of Portfolio

The Issuer has acquired certain Novated Facilities and Participations prior to the Closing Date. The Collateral Manager is required to manage the Portfolio and to act in specific circumstances in relation to the Portfolio on behalf of the Issuer pursuant to the terms of, and subject to the parameters set out in, the Collateral Management and Administration Agreement and subject to the overall supervision and control of the Issuer. The duties of the Collateral Manager, subject to the standard of care in, and the other provisions of, the Collateral Management and Administration Agreement, with respect to the Portfolio include (among others) the use of reasonable endeavours in accordance with the terms of the Collateral Management and Administration Agreement to:

(i) purchase Infra Loan Obligations in accordance with the criteria set out in the Collateral Management and Administration Agreement;

(ii) in respect of any Undrawn Commitment, subject to satisfaction of any applicable conditions precedent, make the Issuer's portion of commitment in the relevant Loan available to the relevant facility agent on the relevant utilisation date(s) under the relevant Novated Facility or Participation when such amounts are due and payable;

(iii) sell certain of the Infra Loan Obligations; and

(iv) purchase or acquire Reinvestment Infra Loan Obligations with Reinvestment Proceeds in accordance with the criteria set out in the Collateral Management and Administration Agreement.

Under the Collateral Management and Administration Agreement, the Issuer, the Controlling Class and the holders of the Subordinated Notes have certain rights in respect of the removal of the Collateral Manager and appointment of a replacement collateral manager.

By its purchase of Notes, each Noteholder is deemed to have consented on behalf of itself to the purchase of the Infra Loan Obligations as of the Closing Date by the Issuer and the arrangements described in "*Risk Factors — Risks relating to certain conflicts of interest — There may be conflicts of interest involving the Sole Global Coordinator and the Joint Bookrunners*" of the Information Memorandum.

(e) Exercise of Rights in Respect of the Portfolio

Pursuant to the Collateral Management and Administration Agreement, the Issuer authorises the Collateral Manager, prior to enforcement of the security over the Collateral, to exercise all rights and remedies of the Issuer in its capacity as a holder of, or Person beneficially entitled to, the Portfolio. In particular, the Collateral Manager is authorised, subject to any specific direction given by the Issuer, to attend and vote at any meeting of holders of, or other Persons interested or participating in, or entitled to the rights or benefits (or a part thereof) under, the Portfolio and to give any consent, waiver, indulgence, time or notification, make any declaration or agree any composition, compounding or other similar arrangement with respect to any obligations forming part of the Portfolio.

(f) Information Regarding the Collateral

The Issuer shall procure that a copy of any Quarterly Report or any Payment Date Report is made available, within two Business Days of publication, on the Transaction Administrator's website currently located at https://tss.sfs.db.com/investpublic and by the Sponsor at the Sponsor's website at https://www.hkilbs.com.hk (or such other website as may be notified in writing by the Transaction Administrator and/or the Collateral Manager to the Noteholders), and that copies of each such Quarterly Report or Payment Date Report are made available to the Trustee, the Collateral Manager, each Rating Agency and the SEHK within two Business Days of publication thereof.

5. COVENANTS OF AND RESTRICTIONS ON THE ISSUER

(a) Covenants of the Issuer

Unless otherwise provided in the Transaction Documents, the Issuer covenants to the Trustee on behalf of the Noteholders that, for so long as any Note remains Outstanding, the Issuer will:

(i) take such steps as are reasonable to enforce all its rights:

(A) under the Trust Deed;

(B) under the Hong Kong Security Deed;

(C) in respect of the Collateral;

(D) under the Agency and Account Bank Agreement;

(E) under the Collateral Management and Administration Agreement;

(F) under the Corporate Services Agreement; and

(G) under each Sponsor Collateral Acquisition Agreement;

(ii) comply with its obligations under the Notes, the Trust Deed, the Hong Kong Security Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement (including, without limitation, any obligation to fund any loan advances under the Infra Loan Obligations in respect of an Undrawn Commitment) and each other Transaction Document to which it is a party;

(iii) keep proper books of account;

(iv) conduct its business and affairs such that, at all times:

(A) it shall maintain its registered office in Hong Kong;

(B) it shall hold all meetings of its board of Directors in Hong Kong and ensure that at least one of its Directors is resident in Hong Kong for tax purposes, that the directors will exercise their control over the business of the Issuer independently and that those Directors (acting independently) exercise their authority only from and within Hong Kong by taking all key decisions relating to the Issuer in Hong Kong; and

(C) it shall not open any office or branch or place of business outside of Hong Kong;

(v) pay its debts generally as they fall due subject to and in accordance with the applicable Priorities of Payments;

(vi) do all such things as are necessary to maintain its corporate existence;

(vii) use its best endeavours to obtain and maintain the listing on the SEHK of the outstanding Rated Notes of each Class. If, however, it is unable to do so, having used such endeavours, or if the maintenance of such listing is unduly onerous and the Trustee is satisfied that the interests of the holders of the Outstanding Notes of each Class would not thereby be materially prejudiced, the Issuer will instead use all reasonable endeavours promptly to obtain and thereafter to maintain a listing for such Notes on such other stock exchange(s) as it may (with the approval of the Trustee) decide;

(viii) supply copies of such documents (produced in respect of any further Notes issued by or any other financial indebtedness incurred by the Issuer) to each Rating Agency as it may reasonably request;

(ix) ensure that its tax residence is and remains at all times only in Hong Kong; and

(x) be the designated entity for the purposes of Article 7(2) of the EU Securitisation Regulation and Article 7(2) of the UK Securitisation Regulation.

(b) Restrictions on the Issuer

For so long as any of the Notes remain Outstanding, save as otherwise provided in the Transaction Documents, the Issuer covenants to the holders of such Notes that (to the extent applicable) it will not, without the prior written consent of the Trustee (which shall not be unreasonably delayed or withheld):

(i) sell, factor, discount, transfer, assign, lend or otherwise dispose of any of its right, title or interest in or to the Collateral, other than in accordance with the Collateral Management and Administration Agreement, nor will it create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over the Collateral except in accordance with the Trust Deed, the Conditions or the Transaction Documents;

(ii) engage in any business other than:

(A) acquiring and holding any property, assets or rights that are capable of being effectively charged in favour of the Trustee or that are capable of being held on trust by the Issuer in favour of the Trustee under the Trust Deed, except that it may not acquire any securities other than assets received in lieu of debts previously contracted;

(B) issuing and performing its obligations under the Notes (including any Additional Notes);

(C) entering into, exercising its rights and performing its obligations under or enforcing its rights under the Trust Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement, and each other Transaction Document to which it is a party, as applicable; or

(D) performing any act incidental to or necessary in connection with any of the above;

(iii) amend any term or Condition of the Notes of any Class (save in accordance with these Conditions and the Trust Deed);

(iv) agree to any amendment to any provision of, or grant any waiver or consent under the Trust Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement, the Corporate Services Agreement, or any other Transaction Document to which it is a party (save in accordance with these Conditions and the Trust Deed and, in the case of the Collateral Management and Administration Agreement, the terms thereof);

(v) guarantee or incur any indebtedness for borrowed money, other than in respect of:

(A) the Notes (including the issuance of Additional Notes) or any document entered into in connection with the Notes or the sale thereof or any Additional Notes or the sale thereof;

(B) any Refinancing; or

(C) as otherwise contemplated or permitted pursuant to the Trust Deed, the Hong Kong Security Deed or the Collateral Management and Administration Agreement;

(vi) amend the Constitutional Documents;

(vii) have any subsidiaries or establish any offices, branches or other "establishment" (as that term is used in article 2(10) of the Insolvency Regulation) inside or outside of Hong Kong;

(viii) have any employees (for the avoidance of doubt the company secretary, the authorised signatories and the Directors do not constitute employees);

(ix) enter into any reconstruction, amalgamation, merger or consolidation;

(x) convey or transfer all or a substantial part of its properties or assets (in one or a series of transactions) to any Person, otherwise than as contemplated in these Conditions or any Transaction Documents;

(xi) issue any shares (other than the shares that are in issue as at the Closing Date) or redeem or purchase any of its issued share capital and shall maintain adequate share capital in light of its contemplated business operations;

(xii) enter into any material agreement or contract with any Person (other than an agreement or contract on customary market terms which, for the avoidance of doubt, will include agreements to buy, participate in or sell obligations and documentation relating to restructurings or interests therein (including, without limitation, steering committee indemnity letters)), provided that if such contract or agreement contains "limited recourse" and "non-petition" provisions, such Person agrees that, prior to the date that is the longer period of (x) two years and one day after all the related obligations of the Issuer have been paid in full and (y) the applicable preference period under applicable insolvency law, such Person shall not take any action or institute any proceedings against the Issuer under any insolvency law applicable to the Issuer or which would reasonably be likely to cause the Issuer to be subject to or seek protection of, any such insolvency law;

(xiii) save as contemplated in the Transaction Documents, release from or terminate the appointment of the Account Bank under the Agency and Account Bank Agreement, the Collateral Manager or the Transaction Administrator under the Collateral Management and Administration Agreement (including, in each case, any transactions entered into thereunder) or, in each case, from any executory obligation thereunder;

(xiv) commingle its assets with those of any other Person or entity;

(xv) enter into any derivatives;

(xvi) enter into any lease in respect of, or own, premises; or

(xvii) enter into any transactions or arrangements with any of its Affiliates on anything other than arm's-length terms.

6. INTEREST

(a) Notes Payment Dates

The Notes each bear interest from (and including) the Closing Date and such interest will be payable in the case of interest accrued during the initial Accrual Period, for the period from (and including) the Closing Date to (but excluding) the Notes Payment Date scheduled to fall on 19 April 2025 and thereafter, semi-annually or, following the occurrence of a Payment Frequency Switch Event, quarterly, in each case for the period from (and including) the preceding Notes

Payment Date (or in the case of the first Notes Payment Date, the Closing Date) to (but excluding) the following Notes Payment Date, in each case in arrear on each Notes Payment Date.

(b) Payment Frequency Switch Events

A "**Payment Frequency Switch Event**" will occur if, on any Determination Date:

(A) a Rating Agency Confirmation has been received from the Rating Agency; and

(B) either:

(I) (1) the Aggregate Principal Balance of the Infra Loan Obligations that are quarterly or more frequently paying obligations in the period ending on such Determination Date, is greater than or equal to 85 per cent. of the entire Aggregate Principal Balance of the Portfolio; and (2) for so long as any of the Class A Notes or Class B Notes remain Outstanding the Class A/B Interest Coverage Ratio is less than 100.0 per cent.; or

(II) the Collateral Manager (taking into account the proportion of the Infra Loan Obligations that are quarterly or more frequently paying versus semi-annually paying) declares that a Payment Frequency Switch Event has occurred.

(c) Interest Accrual on the Notes

Each Note (or, as the case may be, the relevant part thereof due to be redeemed) will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 6 (*Interest*) (both before and after judgment) until whichever is the earlier of (A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (B) the day following seven days after the Trustee or the Principal Paying Agent has notified the Noteholders of such Class of Notes in accordance with Condition 16 (*Notices*) of receipt of all sums due in respect of all the Notes of such Class up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

(d) Deferral of Interest

For so long as any of the Class A Notes or Class B Notes remain Outstanding, the Issuer shall, and shall only be obliged to, pay any Interest Amount payable in respect of the Class C Notes in full on any Notes Payment Date, in each case to the extent that there are Interest Proceeds or Principal Proceeds available for payment thereof in accordance with the Priorities of Payments.

For so long as any of the Class A Notes, Class B Notes or Class C Notes remain Outstanding, the Issuer shall, and shall only be obliged to, pay any Interest Amount payable in respect of the Class D Notes in full on any Notes Payment Date, in each case to the extent that there are Interest Proceeds or Principal Proceeds available for payment thereof in accordance with the Priorities of Payments.

For so long as any of the Class A Notes, Class B Notes, Class C Notes or Class D Notes remain Outstanding, the Issuer shall, and shall only be obliged to, pay any Interest Amount payable in respect of the Subordinated Notes in full on any Notes Payment Date, in each case to the extent that there are Interest Proceeds or Principal Proceeds available for payment thereof in accordance with the Priorities of Payments.

An amount of interest equal to any shortfall in payment of the Interest Amount which would, but for the first three paragraphs of this Condition 6(d) (*Deferral of Interest*) otherwise be due and payable in respect of the Class C Notes, the Class D Notes or the Subordinated Notes on any Notes Payment Date (each such amount being referred to as "**Deferred Interest**") will not be payable on such Notes Payment Date, but will be added to the principal amount of the Class C Notes, the Class D Notes or the Subordinated Notes (as applicable) and thereafter will accrue interest at the rate of interest applicable to the Class C Notes, the Class D Notes or the Subordinated Notes (as applicable), and the failure to pay such Deferred Interest to the holders of the Class C Notes, the Class D Notes or the Subordinated Notes (as applicable) will not constitute a Note Event of Default until the earlier of the Maturity Date or any earlier date on which the Notes are to be redeemed in full.

(e) Payment of Deferred Interest

Deferred Interest in respect of any Class C Note, Class D Note or Subordinated Note shall only become payable by the Issuer in accordance with the relevant paragraphs of the Interest Priority of Payments, the Principal Priority of Payments and the Post-Acceleration Priority of Payments and under the Note Payment Sequence in each place specified in the Priorities of Payments, to the extent that Interest Proceeds or Principal Proceeds, as applicable, or, where applicable, other net proceeds of enforcement of the security over the Collateral, are available to make such payment in accordance with the Priorities of Payments (and, if applicable, the Note Payment Sequence). For the avoidance of doubt, Deferred Interest on the Class C Notes, the Class D Notes and the Subordinated Notes will be added to the principal amount of the Class C Notes, the Class D Notes and the Subordinated Notes, respectively. An amount equal to any such Deferred Interest so paid shall be subtracted from the principal amount of the Class C Notes, the Class D Notes or the Subordinated Notes, as applicable.

(f) Interest on the Notes

(i) Base Rate

The rate of interest from time to time in respect of the Class A Notes (the "**Class A Base Rate**"), in respect of the Class B Notes (the "**Class B Base Rate**"), in respect of the Class C Notes (the "**Class C Base Rate**"), in respect of the Class D Notes (the "**Class D Base Rate**") and in respect of the Subordinated Notes (the "**Subordinated Notes Base Rate**") (each a "**Base Rate**") will be determined by the Calculation Agent on the following basis:

(A) on each Interest Determination Date, the Calculation Agent will determine the applicable Benchmark in respect of the relevant Accrual Period and Designated Maturity as soon as practicable after the Reference Time on each Interest Determination Date, but in no event later than 5.00 p.m. (New York City time), on such Interest Determination Date;

(B) the Class A Base Rate, the Class B Base Rate, the Class C Base Rate, the Class D Base Rate and the Subordinated Notes Base Rate for each Accrual Period shall be the aggregate of the Applicable Margin (as defined below) and the applicable Benchmark determined pursuant to sub-paragraph (A) above, all as determined by the Calculation Agent; and

(C) where:

"**Applicable Margin**" means:

(a) in the case of the Class A1-SU Notes: 1.35 per cent. per annum (the "**Class A1-SU Margin**");

(b) in the case of the Class A1 Notes: 1.40 per cent. per annum (the "**Class A1 Margin**");

(c) in the case of the Class B Notes: 1.80 per cent. per annum (the "**Class B Margin**");

(d) in the case of the Class C Notes: 3.40 per cent. per annum (the "**Class C Margin**");

(e) in the case of the Class D Notes: 3.95 per cent. per annum (the "**Class D Margin**"); and

(f) in the case of the Subordinated Notes: 5.50 per cent. per annum (the "**Subordinated Notes Margin**").

(ii) Determination of Base Rate and Calculation of Interest Amount

The Calculation Agent will, as soon as practicable after the Reference Time on each Interest Determination Date, but in no event later than the Business Day after such date, determine the Class A Base Rate, the Class B Base Rate, the Class C Base Rate, the Class D Base Rate and the Subordinated Notes Base Rate and calculate the interest amount payable in respect of principal amounts of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Subordinated Notes as of the Closing Date for the relevant Accrual Period. The amount of interest (the "**Interest Amount**") payable in respect of such Notes shall be calculated by applying the Class A Base Rate in the case of the Class A Notes, Class B Base Rate in the case of the Class B Notes, the Class C Base Rate in the case of the Class C Notes, the Class D Base Rate in the case of the Class D Notes and the Subordinated Notes Base Rate in the case of the Subordinated Notes, respectively, to an amount equal to the Principal Amount Outstanding in respect of the relevant Class of Notes, multiplying the product thereof by the actual number of days in the Accrual Period (divided by 360) and rounding the resultant figure to the nearest US$0.01 (with US$0.005 or above and below US$0.01 being rounded upwards).

(iii) Calculation Agent

The Issuer will procure that, so long as any Note remains Outstanding, a Calculation Agent shall be appointed and maintained for the purposes of determining the interest rate and interest amount payable in respect of the Notes.

If the Calculation Agent is unable or unwilling to continue to act as the Calculation Agent for the purposes of calculating interest hereunder or fails to duly establish any Base Rate for any Accrual Period, or to duly calculate the Interest Amount on any Class of Rated Notes, the Issuer shall (with the prior approval of the Trustee as to the identity of the replacement Calculation Agent) appoint another leading bank to act as such in place of the Calculation Agent. The Calculation Agent may not resign its duties without a successor having been so appointed.

(g) Benchmark Replacement

In connection with the adoption of any Benchmark Replacement, the Collateral Manager will specify the qualifications for the Calculation Agent and procedures for the calculation and reporting of the Benchmark Replacement.

(h) Publication of Interest Amounts and Deferred Interest

The Calculation Agent will cause the Interest Amounts payable in respect of each Class of Rated Notes and the amount of any Deferred Interest due but not paid on any Class C Notes, Class D Notes or Subordinated Notes for each Accrual Period and Notes Payment Date and the Principal Amount Outstanding of each Class of Notes as of the applicable Notes Payment Date to be notified to the Registrar, the Principal Paying Agent, the Transfer Agent, the Trustee, the Transaction Administrator and the Collateral Manager (in the case of Deferred Interest in respect of the Rated Notes) as soon as possible after their determination but in no event later than the tenth Business Day thereafter, and the Principal Paying Agent shall cause each such rate, amount and date to be notified to the Noteholders of each Class in accordance with Condition 16 (*Notices*) as soon as possible following notification to the Principal Paying Agent but in no event later than the second Business Day after the date of such notification. The Interest Amounts in respect of any Class of Notes so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Accrual Period. If any of the Notes become due and payable under Condition 10 (*Note Events of Default*), interest shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this Condition 6 (*Interest*) but no publication of the applicable Interest Amounts shall be made unless the Trustee so determines.

(i) Determination or Calculation by Trustee

If the Calculation Agent does not at any time for any reason calculate a Base Rate, the Trustee (or an agent or expert appointed by it at the expense of the Issuer for the purpose) may do so and such determination or calculation shall be deemed to have been made by the Calculation Agent and shall be binding on the Noteholders. In doing so, the Trustee, or such agent or expert appointed by it, shall apply the foregoing provisions of this Condition 6 (*Interest*), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances and in reliance on such Persons as it has appointed for such purpose. The Trustee shall have no liability to any Person in connection with any determination or calculation (including with regard to the timelines thereof) it may make (or, as applicable, cause to be made) pursuant to this Condition 6(i) (*Determination or Calculation by Trustee*).

(j) Notifications, etc. to be Final

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6 (*Interest*), whether by the Calculation Agent or the Trustee, will (in the absence of manifest error) be binding on the Issuer, the Calculation Agent, the Trustee, the Registrar, the Paying Agents, the Transfer Agent and all Noteholders and (in the absence of gross negligence, fraud or wilful default of the Calculation Agent or the Trustee (as applicable)) no liability to the Issuer or the Noteholders of any Class shall attach to the Calculation Agent or the Trustee in connection with the exercise, delay in exercising or non-exercise by them of their powers, duties and discretions under this Condition 6(j) (*Notifications, etc. to be Final*).

7. REDEMPTION AND PURCHASE

(a) Final Redemption

Save to the extent previously redeemed in full and cancelled, the Notes of each Class will be redeemed on the Maturity Date of such Notes. In the case of a redemption pursuant to this Condition 7(a) (*Final Redemption*), (i) the Rated Notes will be redeemed at their Redemption Price

in accordance with the Priorities of Payments, and (ii) the Subordinated Notes will be redeemed at the amount equal to their share of the amounts of Principal Proceeds to be applied towards such redemption pursuant to paragraph (N) of the Principal Priority of Payments. Notes may not be redeemed other than in accordance with this Condition 7 (*Redemption and Purchase*).

(b) Optional Redemption

(i) Optional Redemption in Whole — Holders of Subordinated Notes or Collateral Manager

Subject to the provisions of Condition 7(b)(iii) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(iv) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(v) (*Optional Redemption effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer, from Disposal Proceeds or Refinancing Proceeds (or a combination thereof), at the applicable Redemption Prices:

(A) on any Business Day after expiry of the Non-Call Period (1) at the option of the holders of the Subordinated Notes acting by way of Extraordinary Resolution, serving duly completed Redemption Notices, or (2) at the direction of the Collateral Manager (subject to the subsequent consent of the holders of the Subordinated Notes (acting by way of Extraordinary Resolution) pursuant to the terms thereof); or

(B) upon the occurrence of a Collateral Tax Event, on any Notes Payment Date falling after such occurrence at the direction of the holders of the Subordinated Notes acting by Extraordinary Resolution, serving duly completed Redemption Notices;

provided that, in each case, no later than two Business Days before such call date, the Issuer has (1) entered into committed sales agreements with buyers such that the Disposal Proceeds of all Infra Loan Obligations being disposed of will, together with any Refinancing Proceeds to be received on the applicable date of redemption, be sufficient to redeem the Rated Notes in full and pay all accrued but unpaid interest and other amounts on the Rated Notes and all other amounts ranking senior to the Rated Notes in the Priorities of Payments and/or (2) entered into a Refinancing in accordance with Condition 7(b)(iv) (*Optional Redemption effected in whole or in part through Refinancing*).

(ii) Optional Redemption in Whole

Subject to the provisions of Condition 7(b)(iii) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(iv) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(v) (*Optional Redemption effected through Liquidation only*) below, the Notes may be redeemed in whole but not in part by the Issuer, at the applicable Redemption Prices, from Disposal Proceeds or Refinancing Proceeds (or a combination thereof) on any Business Day after the Class A Notes have been redeemed in full if directed in writing by the Collateral Manager, **provided that**, in each case, no later than two Business Days before such call date, the Issuer has (1) entered into committed sales agreements with buyers such that the Disposal Proceeds of all Infra Loan Obligations being disposed of will, together with any Refinancing Proceeds to be received on the applicable date of redemption, be sufficient to redeem the Rated Notes in full and pay all accrued but unpaid interest and other amounts on the Rated Notes and all other amounts ranking senior to the Rated Notes in the Priorities of Payments and/or (2) entered into a Refinancing in accordance with Condition 7(b)(iv) (*Optional Redemption effected in whole or in part through Refinancing*).

(iii) Terms and Conditions of an Optional Redemption

In connection with any Optional Redemption:

(A) the Issuer shall procure that at least 30 days' prior written notice (or such shorter notice as may be determined by the Collateral Manager exercising its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement) of such Optional Redemption (but stating that such redemption is subject to satisfaction of the conditions set out in this Condition 7(b) (*Optional Redemption*)), including the applicable Redemption Date, and the relevant Redemption Price of the Rated Notes therefor, is given to the Trustee and the Noteholders in accordance with Condition 16 (*Notices*);

(B) the Rated Notes to be redeemed shall be redeemed at their applicable Redemption Prices (subject, in the case of an Optional Redemption of the Rated Notes in whole, to the right of holders of 100 per cent. of the aggregate Principal Amount Outstanding of any Class of Rated Notes to elect to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to the holders of such Class of Rated Notes). Such right shall be exercised by delivery by each holder of the relevant Class of Rated Notes of a written direction confirming such holder's election to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to it, together with evidence of their holding to the Issuer and the Collateral Manager no later than 25 days prior to the relevant Redemption Date;

(C) the Collateral Manager shall have no right or other ability to prevent an Optional Redemption directed by holders of the Subordinated Notes in accordance with this Condition 7(b) (*Optional Redemption*); and

(D) any such redemption must comply with the procedures set out in Condition 7(b)(vi) (*Mechanics of Redemption*).

(iv) Optional Redemption effected in whole or in part through Refinancing

Following receipt by the Transaction Administrator (acting on behalf of the Issuer) of a direction from the Subordinated Noteholder(s) (acting by way of Extraordinary Resolution) or the Collateral Manager to exercise any right of optional redemption pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Holders of Subordinated Notes or Collateral Manager*) or Condition 7(b)(ii) (*Optional Redemption in Whole*), the Issuer may (1) enter into a loan (as borrower thereunder) with one or more financial institutions and/or (2) issue replacement notes (each, a "**Refinancing Obligation**"), whose terms in each case will be negotiated by the Collateral Manager in accordance with the terms of the Collateral Management and Administration Agreement on behalf of the Issuer (any such refinancing, a "**Refinancing**"). Each Refinancing is required to satisfy the following conditions:

(A) the Issuer provides prior written notice thereof to the Rating Agency;

(B) all Refinancing Proceeds and all other available funds will be at least sufficient to pay (1) any Refinancing Costs, (2) all amounts due and payable in respect of all Classes of Notes (including without limitation Deferred Interest on the Class C Notes and the Class D Notes) save for the Subordinated Notes and (3) all amounts payable in priority to the Subordinated Notes pursuant to the Priorities of Payments on the Redemption Date when applied in accordance with the applicable Priorities of Payments;

(C) all Refinancing Proceeds, Principal Proceeds, Disposal Proceeds and other available funds are used (to the extent necessary) to make such redemption;

(D) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed;

(E) all Refinancing Proceeds and all Disposal Proceeds, if any, are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date; and

(F) the Collateral Manager has consented in writing to the terms of such Refinancing and the identity of any financial institutions acting as lenders or note purchasers thereunder,

in each case, as certified to the Issuer and the Trustee by the Collateral Manager.

Refinancing Proceeds may be applied in addition to (or in place of) Disposal Proceeds in the redemption of the Rated Notes in whole pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Holders of Subordinated Notes or Collateral Manager*).

If, in relation to a proposed optional redemption of the Notes, any of the conditions specified in this Condition 7(b)(iv) (*Optional Redemption effected in whole or in part through Refinancing*) are not satisfied, the Issuer shall cancel the relevant redemption of the Notes and shall give notice of such cancellation to the Trustee, the Collateral Manager and the Noteholders in accordance with Condition 16 (*Notices*). Any such cancellation shall not constitute a Note Event of Default.

None of the Issuer, the Collateral Manager or the Trustee shall be liable to any party, including the Subordinated Noteholders, for any failure to obtain a Refinancing.

The Trustee will be entitled to conclusively rely and without any enquiry or liability upon any evidence, confirmation or certificate provided by the Issuer or the Collateral Manager pursuant to or in connection with this Condition 7(b)(iv) (*Optional Redemption effected in whole or in part through Refinancing*).

(v) Optional Redemption effected through Liquidation only

Following receipt of notice from the Issuer or, as the case may be, of confirmation from the Issuer of receipt of a direction in writing from: (i) the holders of the Subordinated Notes (acting by way of Extraordinary Resolution); (ii) the Controlling Class (acting by way of Extraordinary Resolution); or (iii) the Collateral Manager, as the case may be, to exercise any right of optional redemption pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(f) (*Redemption following Note Tax Event*) (as applicable) with such redemption to be effected solely through the liquidation or realisation of the Collateral, the Transaction Administrator shall, as soon as practicable, and in any event not later than 17 Business Days prior to the scheduled Redemption Date (the "**Redemption Determination Date**"), **provided that** the Transaction Administrator has received such notice or confirmation at least 20 Business Days prior to the scheduled Redemption Date, calculate the Redemption Threshold Amount in consultation with the Collateral Manager. The Collateral Manager or any of its Affiliates will be permitted to purchase Infra Loan Obligations in the Portfolio where any right of early redemption is exercised pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(f) (*Redemption following Note Tax Event*).

The Notes shall not be optionally redeemed where such Optional Redemption is to be effected solely through the liquidation or realisation of the Portfolio unless:

(A) at least five Business Days before the scheduled Redemption Date the Collateral Manager shall have furnished to the Trustee a certificate (upon which certificate the Trustee may rely absolutely and without enquiry or liability) signed by an officer of the Collateral Manager that the Collateral Manager on behalf of the Issuer has entered into a binding agreement or agreements with an entity or entities with sufficient available funding capacity (which may be determined by the Collateral Manager relying conclusively, in the absence of manifest error, on information provided by the relevant purchaser) to purchase (directly or by participation or other arrangement) from the Issuer, not later than the Business Day prior to the scheduled Redemption Date (or such earlier date as agreed between the Collateral Manager and the Trustee) all or part of the Portfolio at a purchase price at least sufficient (together with (without duplication) the amounts standing to the credit of the Accounts which would be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for redemption in full) to meet the Redemption Threshold Amount;

(B) at least one Business Day before the scheduled Redemption Date, the Issuer shall have received proceeds of disposition of all or part of the Portfolio at least sufficient and (without duplication) together with the amounts standing to the credit of the Accounts which would be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for redemption in full, to meet the Redemption Threshold Amount, **provided that**, if the Issuer has received funds from a purchaser of one or more Infra Loan Obligations (in whole or in part), but such Infra Loan Obligations have not yet been disposed of by transfer of legal title or participation interest (as applicable), such funds will be counted in the calculation of whether the Redemption Threshold Amount has been met; and

(C) in the case of any Optional Redemption in whole directed by the Collateral Manager pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Holders of Subordinated Notes or Collateral Manager*), the holders of the Subordinated Notes (acting by way of Extraordinary Resolution) have consented to the terms of such Optional Redemption.

Any certification delivered by the Collateral Manager pursuant to this Condition 7(b)(v) (*Optional Redemption effected through Liquidation only*) must include (1) the prices (as at the date of such certification) of, and expected proceeds from, the sale (directly or by participation or any other arrangement) or redemption of any Infra Loan Obligations, (2) amounts standing to the credit of the Accounts which would be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for repayment in full and (3) all calculations required by this Condition 7(b) (*Optional Redemption*) and Condition 7(f) (*Redemption following Note Tax Event*), as applicable. Any Noteholder, the Retention Holder, the Collateral Manager or any of the Collateral Manager's Affiliates shall have the right, subject to the same terms and conditions afforded to other bidders, to bid on Infra Loan Obligations to be sold as part of an Optional Redemption pursuant to this Condition 7(b)(v) (*Optional Redemption effected through Liquidation only*).

The Trustee shall rely conclusively and without enquiry or liability on any confirmation or certificate of the Collateral Manager furnished by the Collateral Manager pursuant to or in connection with this Condition 7(b)(v) (*Optional Redemption effected through Liquidation only*).

If any of the conditions in sub-paragraphs (A) to (C) above is not satisfied, the Issuer shall cancel the redemption of the Notes and shall give notice of such cancellation to the Trustee, the Collateral Manager and the Noteholders in accordance with Condition 16 (*Notices*). Such cancellation shall not constitute a Note Event of Default.

(vi) Mechanics of Redemption

Following calculation by the Transaction Administrator in consultation with the Collateral Manager of the relevant Redemption Threshold Amount, if applicable, the Transaction Administrator shall make such other calculations as it is required to make pursuant to the Collateral Management and Administration Agreement and shall notify the Issuer, the Trustee, the Collateral Manager and the Principal Paying Agent.

Any exercise of a right of Optional Redemption by the holders of the Subordinated Notes pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(f) (*Redemption following Note Tax Event*) shall be effected by delivery to the Principal Paying Agent (with a copy to the Registrar), by holders of the requisite amount of Subordinated Notes or the requisite amount of Notes comprising the Controlling Class (as applicable) held thereby (in respect of which such right is exercised and presenting such Definitive Certificate or Global Certificate for endorsement of exercise) of duly completed Redemption Notices not less than 30 days prior to the proposed Redemption Date. No Redemption Notice so delivered or any direction given by the Collateral Manager may be withdrawn without the prior consent of the Issuer. The Registrar shall copy each Redemption Notice or any direction given by the Collateral Manager received to each of the Issuer, the Trustee, the Transaction Administrator and the Collateral Manager.

The Collateral Manager shall notify the Issuer, the Trustee, the Transaction Administrator, the Principal Paying Agent and each Rating Agency upon satisfaction of all of the conditions set out in this Condition 7(b) (*Optional Redemption*) and Condition 7(f) (*Redemption following Note Tax Event*) and shall use reasonable endeavours in accordance with the terms of the Collateral Management and Administration Agreement to arrange for liquidation and/or realisation of the Portfolio in whole or in part as necessary, on behalf of the Issuer in accordance with the Collateral Management and Administration Agreement. The Issuer shall deposit, or cause to be deposited, the funds required for an optional redemption of the Notes in accordance with this Condition 7(b) (*Optional Redemption*) and/or Condition 7(f) (*Redemption following Note Tax Event*) (as applicable) in the Payment Account on or before the Business Day prior to the applicable Redemption Date. Principal Proceeds and Interest Proceeds received in connection with a redemption in whole of the Rated Notes shall be payable in accordance with the Post-Acceleration Priority of Payments.

(vii) Optional Redemption of Subordinated Notes

The Subordinated Notes may be redeemed at their Redemption Price, in whole but not in part, on any Business Day on or after the redemption or repayment in full of the Rated Notes, at the direction of the Subordinated Noteholders (acting by way of Extraordinary Resolution).

(c) Mandatory Redemption upon Breach of Coverage Tests

(i) Class A Notes and Class B Notes

If the Class A/B Overcollateralisation Test is not satisfied on any Determination Date or if the Class A/B Interest Coverage Test is not satisfied on the Determination Date immediately preceding the second Notes Payment Date or any Determination Date thereafter when tested, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes and the Class B Notes in accordance with the Note Payment Sequence, on the related Notes Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

(ii) Class C Notes

If the Class C Overcollateralisation Test is not satisfied on any Determination Date or if the Class C Interest Coverage Test is not satisfied on the Determination Date immediately preceding the second Notes Payment Date or any Determination Date thereafter when tested, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes and the Class C Notes in accordance with the Note Payment Sequence, on the related Notes Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated immediately following such redemption.

(iii) Class D Notes

If the Class D Overcollateralisation Test is not satisfied on any Determination Date or if the Class D Interest Coverage Test is not satisfied on the Determination Date immediately preceding the second Notes Payment Date or any Determination Date thereafter when tested, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes in accordance with the Note Payment Sequence, on the related Notes Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated immediately following such redemption.

(d) Special Redemption

Principal payments on the Notes shall be made in accordance with the Principal Priority of Payments by the Collateral Manager (acting on behalf of the Issuer), if at any time during the Reinvestment Period, the Collateral Manager (acting on behalf of the Issuer) certifies (upon which certification the Trustee may rely without enquiry or liability) to the Trustee that, using reasonable endeavours in accordance with the terms of the Collateral Management and Administration Agreement, it has been unable, for a period of 45 consecutive Business Days, to identify Reinvestment Infra Loan Obligations that meet the Reinvestment Criteria in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account that are to be invested in Reinvestment Infra Loan Obligations (a "**Special Redemption**"). On the first Notes Payment Date following the Due Period in which such certification is given (a "**Special Redemption Date**"), the funds in the Principal Account representing Principal Proceeds which, using reasonable endeavours in accordance with the terms of the Collateral Management and Administration Agreement, cannot be reinvested in Reinvestment Infra Loan Obligations by the Collateral Manager (a "**Special Redemption Amount**") will be applied in accordance with Condition 3(c)(ii)(J) of the Principal Priority of Payments.

Further, where the Collateral Manager has not identified, has not been able to identify, any Reinvestment Infra Loan Obligations for the purposes of acquisition, any Reinvestment Proceeds not used for the acquisition of Reinvestment Infra Loan Obligations and standing to the credit of the Principal Account may, as determined by the Collateral Manager using reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement, be paid out of the Principal Account to the Payment Account to the extent required for disbursement pursuant to the Principal Priority of Payments.

Notice of payments pursuant to this Condition 7(d) (*Special Redemption*) shall be given by the Issuer in accordance with Condition 16 (*Notices*) not less than three Business Days prior to the applicable Special Redemption Date to the Noteholders and to each Rating Agency. **Provided that** the three Business Days' notice period is met, such notice may be given in a Quarterly Report or a Payment Date Report. For the avoidance of doubt, the exercise of a Special Redemption shall be at the sole and absolute determination of the Collateral Manager using its reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement (acting on behalf of the Issuer) and the Collateral Manager shall be under no obligation to, or have any responsibility to, any Noteholder or any other Person for the exercise or non-exercise (as applicable) of such Special Redemption option.

(e) Redemption by the Issuer

The Issuer shall, on each Notes Payment Date occurring thereafter, apply Principal Proceeds transferred to the Payment Account immediately prior to the related Notes Payment Date in redemption of the Notes at their applicable Redemption Prices in accordance with the Priorities of Payments.

(f) Redemption following Note Tax Event

Upon the earlier of (a) the date upon which the Issuer certifies (upon which certification the Trustee may rely without enquiry or liability) to the Trustee that it is not able to effect such change of residence to eliminate the withholding tax giving rise to a Note Tax Event in compliance with the conditions specified in the Trust Deed and (b) the date which is 90 days from the date upon which the Issuer first becomes aware of such Note Tax Event (**provided that** such 90-day period shall be extended by a further 90 days in the event that during the former period the Issuer has notified (or procured the notification of) the Trustee and the Noteholders that, based on advice received by it, it expects that it shall have changed its place of residence by the end of the latter 90-day period), the holders of the Subordinated Notes, acting by way of Extraordinary Resolution, may elect that the Notes of each Class are redeemed, in whole but not in part, on any Notes Payment Date thereafter, at their respective Redemption Prices in accordance with the Note Payment Sequence, in which case the Issuer shall so redeem the Notes on such terms, **provided that** such Note Tax Event would affect payment of principal or interest in respect of the Subordinated Notes (in addition to any other Class of Notes) on such Notes Payment Date; **provided further that** such redemption of the Notes, whether pursuant to the exercise of such option by the Subordinated Noteholders or not, shall take place in accordance with the procedures set out in Condition 7(b)(iv) (*Optional Redemption effected in whole or in part through Refinancing*) (if the relevant instructing party chooses to redeem the Notes by way of Refinancing) or Condition 7(b)(v) (*Optional Redemption effected through Liquidation only*) (if the relevant instructing party chooses to redeem the Notes by way of liquidation).

(g) Redemption

Unless otherwise specified in this Condition 7 (*Redemption and Purchase*), all Notes in respect of which any notice of redemption is given shall be redeemed on the Redemption Date at their applicable Redemption Prices and to the extent specified in such notice and in accordance with the requirements of this Condition 7 (*Redemption and Purchase*) and in accordance with the applicable Priorities of Payments.

(h) Cancellation

All Notes redeemed in full by the Issuer will be cancelled and may not be reissued or resold. No Note may be surrendered (including in connection with any abandonment, donation, gift, contribution or other event or circumstance), for registration of transfer, exchange or redemption, or for replacement in connection with any Note mutilated, defaced or deemed lost or stolen.

In respect of Notes represented by a Global Certificate, cancellation of any Note required by the Conditions to be cancelled will be effected by reduction in the principal amount of the Notes on the Register, with a corresponding notation made on the applicable Global Certificate.

(i) Notice of Redemption

The Issuer shall procure that notice of any redemption in accordance with this Condition 7 (*Redemption and Purchase*) (which notice shall be irrevocable) is given to the Trustee and the Principal Paying Agent in accordance with Condition 16 (*Notices*) and promptly in writing to each Rating Agency.

8. PAYMENTS

(a) Method of Payment

Payments of principal upon final redemption in respect of each Note represented by a Definitive Certificate will be made against presentation and surrender (or, in the case of part payment only, endorsement) of such Note at the specified office of any Paying Agent by wire transfer. Payments of interest and, prior to redemption in full thereof, principal in respect of each Note represented by a Definitive Certificate will be made by wire transfer to the holder (or to the first-named of joint holders) of the Definitive Certificate appearing on the Register at the close of business on the Record Date at his address shown on the Register on the Record Date. Upon application of the Noteholder to the specified office of a Paying Agent not less than five Business Days before the due date for any payment in respect of a Note represented by a Definitive Certificate, the payment may be made (in the case of any final payment of principal against presentation and surrender (or, in the case of part payment only of such final payment, endorsement) of such Note as provided above) by wire transfer, in immediately available funds, on the due date to a US$ account maintained by the payee with a bank in Hong Kong.

Payments of principal upon final redemption in respect of each Note represented by a Global Certificate will be made against presentation and surrender (or, in the case of part payment only, endorsement) of such Global Certificate to or to the order of the Principal Paying Agent by wire transfer. Payments of interest and, prior to redemption in full thereof, principal in respect of each Note represented by a Global Certificate will be made by wire transfer to the holder (or to the first-named of joint holders) of the Global Certificate appearing on the Register at the close of business on the Record Date at his address shown on the Register on the Record Date. On each occasion on which a payment of interest or principal is made in respect of the relevant Global

Certificate, the Registrar shall note the same in the Register and cause the aggregate principal amount of the Notes represented by a Global Certificate to be decreased accordingly.

(b) Payments

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 9 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA. No commission shall be charged to the Noteholders.

(c) Payments on Presentation Days

A Noteholder shall be entitled to present a Note for payment only on a Presentation Date and shall not, except as provided in Condition 6 (*Interest*), be entitled to any further interest or other payment if a Presentation Date falls after the due date.

If a Note is presented for payment at a time when, as a result of differences in time zones it is not practicable to transfer the relevant amount to an account as referred to above for value on the relevant Presentation Date, the Issuer shall not be obliged so to do but shall be obliged to transfer the relevant amount to the account for value on the first practicable date after the Presentation Date.

(d) Paying Agents and Transfer Agents

The Issuer reserves the right at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of the Paying Agents and the Transfer Agents and appoint additional or other Agents, **provided that** it will maintain a Principal Paying Agent as approved in writing by the Trustee and shall procure that it shall at all times maintain an Account Bank, a Collateral Manager and a Transaction Administrator. Notice of any change in any Agent or their specified offices or in the Collateral Manager or Transaction Administrator will promptly be given to the Noteholders by the Issuer in accordance with Condition 16 (*Notices*).

9. TAXATION

(a) General

All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within any jurisdiction, or any political subdivision or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law in which case any amounts so deducted or withheld will be treated as paid for all purposes under the Notes. For the avoidance of doubt, the Issuer shall not be required to gross up any payments made to Noteholders of any Class and shall withhold or deduct from any such payments any amounts on account of such tax, duties, assessments or governmental charges where so required by law or any such relevant taxing authority or in connection with FATCA (including any voluntary agreement entered into with a taxing authority thereto). Any withholding or deduction shall not constitute a Note Event of Default under Condition 10(a) (*Note Events of Default*).

Payments will be subject in all other cases to any other fiscal or other laws and regulations applicable thereto in any jurisdiction and the Issuer will not be liable for any taxes, duties assessments or governmental charges (including any interest or penalties with respect thereto) of whatever nature imposed or levied by such laws or regulations.

(b) FATCA

Withholding payments in respect of the Notes are subject in all cases to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA. Any such amounts withheld or deducted will be treated as paid for all purposes under the Notes, and no additional amounts will be paid by the Issuer or any other party with respect to any such withholding or deduction.

10. NOTE EVENTS OF DEFAULT

(a) Note Events of Default

Subject to Condition 9(a) (*General*), any of the following events shall constitute a "**Note Event of Default**":

(i) Non-payment of interest

the Issuer fails to pay:

(A) any interest in respect of the Class A Notes or the Class B Notes; or

(B) any interest in respect of the Class C Notes or the Class D Notes which is not deferred in accordance with Condition 6(d) (*Deferral of Interest*),

in each case, when the same becomes due and payable, and the failure to pay such interest continues for a period of at least five Business Days **provided that** (i) in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least seven Business Days after the Issuer, the Transaction Administrator or the Principal Paying Agent receives written notice of, or has actual knowledge of, such administrative error or omission and (ii) the failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is given to cancel such redemption in accordance with these Conditions will not constitute a Note Event of Default;

(ii) Non-payment of principal

the Issuer fails to pay any principal (including, for the avoidance of doubt, any Deferred Interest) when the same becomes due and payable on any Note on the Maturity Date or any Redemption Date **provided that**, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least five Business Days after the Issuer, the Transaction Administrator or the Principal Paying Agent receives written notice of, or has actual knowledge of, such administrative error or omission, and **provided further that**, failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is given to cancel such redemption in accordance with the Conditions will not constitute a Note Event of Default;

(iii) Default under Priorities of Payments

the failure on any Notes Payment Date to disburse amounts (other than (i) or (ii) above) available in the Payment Account:

(A) in respect of any taxes, governmental fees, filing and registration fees and registered office fees owing by the Issuer in accordance with the Priorities of Payments, in excess of US$25,000; and

(B) in respect of all other payments in accordance with the Priorities of Payments, in excess of US$200,000,

and, in each case, such failure to pay is continuing for a period of (i) in the case of a failure to disburse due to an administrative error or omission or a Note Disruption Event (as confirmed by the Collateral Manager based on its actual knowledge and certified in writing to the Trustee (upon which certification the Trustee may rely absolutely and without enquiry or liability), but without liability as to such determination) by the Issuer or the Transaction Administrator, as the case may be, seven Business Days after the Issuer or the Transaction Administrator receives written notice of, or has actual knowledge of, such administrative error or omission and (ii) in all other cases, five Business Days;

(iv) Class A Minimum Collateralisation Test

on any Determination Date, the Class A Minimum Collateralisation Test is not satisfied;

(v) Breach of Other Obligations

except as otherwise provided in this definition of "**Note Event of Default**", a default in a material respect in the performance by, or breach in a material respect of any material covenant of, the Issuer under the Trust Deed and/or these Conditions or the failure of any material representation, warranty, undertaking or other agreement of the Issuer made in the Trust Deed and/or these Conditions or in any certificate or other writing delivered pursuant thereto or in connection therewith to be correct in each case in all material respects when the same shall have been made, and the continuation of such default, breach or failure for a period of 45 days after the earlier of (a) the Issuer having actual knowledge of such default, breach or failure, or (b) notice being given to the Issuer and the Collateral Manager by registered or certified mail or courier from the Trustee, the Issuer or the Collateral Manager (as the case may be), or to the Issuer and the Collateral Manager from the Controlling Class acting pursuant to an Ordinary Resolution, in each case copied to the Trustee (as applicable), specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "**Notice of Default**" under the Trust Deed;

(vi) Insolvency Proceedings

proceedings are initiated against the Issuer under any applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws (together, "**Insolvency Law**"), or a receiver, administrative receiver, trustee, administrator, custodian, conservator, liquidator, curator or other similar insolvency official (a "**Receiver**") is appointed in relation to such proceedings and the whole or any substantial part (in the opinion of the Trustee) of the undertaking or assets of the Issuer and in any of the foregoing cases, except in relation to the appointment of a Receiver, is not discharged within 60 days; or the Issuer is subject to, or initiates or consents to judicial proceedings relating to itself under any applicable Insolvency Law, or seeks the appointment of a Receiver, or makes a conveyance or assignment for the benefit of its creditors generally or otherwise becomes subject to any reorganisation or amalgamation (other than on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Controlling Class);

(vii) Illegality

it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes; or

(viii) Investment Company Act

the Issuer or any of the Collateral becomes required to be registered as an "**Investment Company**" under the Investment Company Act and failure to comply with such requirement continues for more than 45 days.

(b) Acceleration

If a Note Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by way of Extraordinary Resolution (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith), give notice to the Issuer and the Collateral Manager that all the Notes are immediately due and repayable (such notice, an "**Enforcement Notice**"), whereupon the Notes shall become immediately due and repayable at their applicable Redemption Prices, **provided that** upon the occurrence of a Note Event of Default described in paragraph (vi) of the definition thereof, an Enforcement Notice shall be deemed to have been given and all the Notes shall automatically become immediately due and repayable at their applicable Redemption Prices.

(c) Curing of Note Event of Default

At any time after an Enforcement Notice (deemed or otherwise) has been given and prior to enforcement of the security pursuant to Condition 11 (*Enforcement*), the Trustee, subject to receipt of consent in writing from the Controlling Class, may and shall, if so requested by the Controlling Class, in each case, acting by Extraordinary Resolution (and subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) rescind and annul such Enforcement Notice and its consequences if:

(i) the Issuer has paid or deposited with the Trustee (or to its order) a sum sufficient to pay:

(A) all overdue payments of interest and principal on the Notes, other than the Subordinated Notes;

(B) all due but unpaid taxes owing by the Issuer, as certified by an Authorised Officer to the Trustee; and

(C) all unpaid Administrative Expenses and Trustee Fees and Expenses; and

(ii) the Collateral Manager has certified to the Trustee (upon which certification the Trustee may rely absolutely without further investigation or liability) that all Note Events of Default, other than the non-payment of the interest in respect of, or principal of, the Notes that have become due solely as a result of the acceleration thereof under Condition 10(b) (*Acceleration*) above due to such Note Events of Default, have been, based on the reasonable judgement or actual knowledge of the Collateral Manager, cured or waived by the Trustee as directed by the Noteholders in accordance with these Conditions.

Any previous rescission and annulment of an Enforcement Notice shall not prevent the subsequent acceleration of the Notes if the Trustee, at its discretion or, as directed in accordance with these Conditions, accelerates the Notes or if the Notes are automatically accelerated in accordance with Condition 10(b) (*Acceleration*) above.

(d) Restriction on Acceleration

No acceleration of the Notes shall be permitted by any Class of Noteholders, other than the Controlling Class as provided in Condition 10(b) (*Acceleration*) above.

(e) Notification and Confirmation of No Default

The Issuer shall immediately notify the Trustee, the Collateral Manager, the Noteholders (in accordance with Condition 16 (*Notices*)) and each Rating Agency upon becoming aware of the occurrence of a Note Event of Default. The Trust Deed contains provision for the Issuer to provide written confirmation to the Trustee and each Rating Agency on an annual basis that no Note Event of Default has occurred and that no condition, event or act has occurred which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition would constitute a Note Event of Default and that no other matter which is required (pursuant thereto) to be brought to the Trustee's attention has occurred.

11. ENFORCEMENT

(a) Security Becoming Enforceable

Save as provided in Condition 11(b) (*Enforcement*) below, the security constituted by the Trust Deed and the Hong Kong Security Deed over the Collateral shall become enforceable upon an acceleration of the maturity of the Notes pursuant to Condition 10(b) (*Acceleration*).

(b) Enforcement

At any time after the Notes become due and repayable and the security under the Trust Deed and the Hong Kong Security Deed becomes enforceable, the Trustee may, at its discretion (but subject always to Condition 4(c) (*Limited Recourse and Non-Petition*)), and shall, if so directed by the Controlling Class acting by Extraordinary Resolution (save, in each case, as provided in this Condition 11(b) (*Enforcement*)), institute such proceedings or take such other action against the Issuer or take any other action as it may think fit to enforce the terms of the Trust Deed, the Hong Kong Security Deed and the Notes and, pursuant and subject to the terms of the Trust Deed, the Hong Kong Security Deed and the Notes, realise and/or otherwise liquidate or sell the Collateral in whole or in part and/or take such other action as may be permitted under applicable laws against any Obligor in respect of the Collateral and/or take any other action to enforce or realise the security over the Collateral in accordance with the Trust Deed and the Hong Kong Security Deed (such actions together, "**Enforcement Actions**" and each, an "**Enforcement Action**"), in each case without any liability as to the consequences of such action and without having regard (save to the extent provided in Condition 14(f) (*Entitlement of the Trustee and Conflicts of Interest*)) to the effect of such action on the individual Noteholders of any Class or any other Secured Party, **provided that**:

(i) no such Enforcement Action may be taken by the Trustee unless:

(A) subject to being indemnified and/or secured and/or prefunded to its satisfaction, the Trustee (or an agent or appointee on its behalf) determines subject to consultation by the Trustee or such agent or appointee with the Collateral Manager that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in priority to the Subordinated Notes pursuant to the Post-Acceleration Priority of Payments (such amount the "**Enforcement**

Threshold" and such determination being an "**Enforcement Threshold Determination**") and the Controlling Class agrees with such determination by an Extraordinary Resolution (in which case the Enforcement Threshold will be met); or

(B) if the Enforcement Threshold will not have been met then, save as provided in paragraph (iii) below, in the case of a Note Event of Default specified in sub-paragraph (i), (ii), (iv) or (vi) of Condition 10(a) (*Note Events of Default*), the Controlling Class directs the Trustee by Extraordinary Resolution to take Enforcement Action without regard to any other Note Event of Default which has occurred prior to, contemporaneously with or subsequent to such Note Event of Default;

(ii) save as provided above, the Trustee shall not be bound to institute any Enforcement Action or take any other action unless it is directed to do so by the Controlling Class acting by Extraordinary Resolution and the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith. Following redemption and payment in full of the Rated Notes, the Trustee shall (provided it is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) act upon the directions of the holders of the Subordinated Notes acting by Extraordinary Resolution; and

(iii) for the purposes of determining issues relating to the execution of a sale or liquidation of the Portfolio, the anticipated proceeds to be realised from any Enforcement Action and whether the Enforcement Threshold will be met, the Trustee may appoint an independent investment banking firm or other appropriate adviser to advise it and may obtain and rely on an opinion and/or advice of such independent investment banking firm or other appropriate adviser (the cost of which shall be payable as Trustee Fees and Expenses) and shall not be liable for any liability arising directly or indirectly from any action taken or not taken by the Trustee in connection with such opinion or advice. The Trustee will exercise due care when making such appointment.

(c) Post-Acceleration Priority of Payments

The Trustee shall notify the Noteholders, the Issuer, the Agents, the Collateral Manager and each Rating Agency in the event that the Trustee makes an Enforcement Threshold Determination at any time or takes any Enforcement Action at any time. Following the effectiveness of an Enforcement Notice which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Note Event of Default*) or, as the case may be following automatic acceleration of the Notes or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or Condition 7(f) (*Redemption following Note Tax Event*), Interest Proceeds, Principal Proceeds and the net proceeds of enforcement of the security over the Collateral shall be credited to the Payment Account and shall be distributed in accordance with the following order of priority but in each case only to the extent that all payments of a higher priority have been made in full (the "**Post-Acceleration Priority of Payments**"), **provided that**, prior to any such distribution, the Collateral Manager shall determinewhether any of the proceeds is an Overpaid Amount or a Non-Waterfall Amount and, if so determined and notified to the Trustee and the Transaction Administrator, the Transaction Administrator shall (on the instructions of the Trustee), subject to the receipt of the necessary information to do so, distribute any such Overpaid Amount

or Non-Waterfall Amount (as the case may be) to the relevant Person as soon as reasonably practicable in accordance with the Transaction Documents:

(i) other than following an enforcement of security pursuant to this Condition 11 (*Enforcement*), the Trust Deed and the Hong Kong Security Deed, to the payment of accrued taxes owing by the Issuer, as certified by an Authorised Officer to the Trustee, if any (save for any tax payable in relation to any amount payable to the Secured Parties);

(ii) to the payment of accrued and unpaid Trustee Fees and Expenses up to an amount equal to the Senior Expenses Cap in respect of the related Due Period, **provided that**, upon the occurrence of a Note Event of Default which is continuing, the Senior Expenses Cap shall not apply in respect of such Trustee Fees and Expenses;

(iii) to the payment of Administrative Expenses in the payment priority stated in the definition thereof up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to paragraph (ii) above, **provided that** (i) upon the occurrence of a Note Event of Default which is continuing, the Senior Expenses Cap shall not apply in respect of such Administrative Expenses and (ii) following an enforcement of security pursuant to this Condition 11 (*Enforcement*), the Trust Deed and the Hong Kong Security Deed, payments may only be made hereunder to Secured Parties;

(iv) to the payment of any due and unpaid Senior Collateral Management Fee save for any Deferred Senior Collateral Management Fee;

(v) to the payment on a *pro rata* basis of all Interest Amounts due and payable on the Class A Notes;

(vi) to the redemption on a *pro rata* basis of the Class A Notes, until the Class A Notes have been redeemed in full;

(vii) to the payment on a *pro rata* basis of all Interest Amounts due and payable on the Class B Notes;

(viii) to the redemption on a *pro rata* basis of the Class B Notes, until the Class B Notes have been redeemed in full;

(ix) to the payment on a *pro rata* basis of the Interest Amounts (excluding any Deferred Interest but including interest on Deferred Interest) due and payable on the Class C Notes;

(x) to the payment on a *pro rata* basis of any Deferred Interest on the Class C Notes;

(xi) to the redemption on a *pro rata* basis of the Class C Notes, until the Class C Notes have been redeemed in full;

(xii) to the payment on a *pro rata* basis of the Interest Amounts (excluding any Deferred Interest but including interest on Deferred Interest) due and payable on the Class D Notes;

(xiii) to the payment on a *pro rata* basis of any Deferred Interest on the Class D Notes;

(xiv) to the redemption on a *pro rata* basis of the Class D Notes, until the Class D Notes have been redeemed in full;

(xv) to the payment of Trustee Fees and Expenses and, Administrative Expenses not paid by reason of exceeding the Senior Expenses Cap (if any), in relation to each item of the Administrative Expenses, on a *pro rata* basis, **provided that** following an enforcement of security pursuant to Condition 11 (*Enforcement*), the Trust Deed and the Hong Kong Security Deed, payments may only be made hereunder to Secured Parties;

(xvi) in payment of interest on each Risk Protection Sponsor Loan (if any) on a *pro rata* basis in accordance with the Closing Sponsor Loans Agreement;

(xvii) in payment of interest on the Bridging Sponsor Loan in accordance with the Closing Sponsor Loans Agreement;

(xviii) on and from the Notes Payment Date scheduled to fall on 19 April 2025, in repayment of each Risk Protection Sponsor Loan (if any) on a *pro rata* basis until each Risk Protection Sponsor Loan is repaid in full;

(xix) on and from the Notes Payment Date scheduled to fall on 19 April 2025, in repayment of the Bridging Sponsor Loan until the Bridging Sponsor Loan is repaid in full;

(xx) to the payment of, at the Collateral Manager's election, all or a portion of any Deferred Senior Collateral Management Fee;

(xxi) to the payment of any due and unpaid Junior Collateral Management Fee and, at the Collateral Manager's election, all or a portion of any Deferred Junior Collateral Management Fee; and

(xxii) any remaining proceeds to the payment on the Subordinated Notes on a *pro rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by their holders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

(d) Only Trustee to Act

Only the Trustee may pursue the remedies available under the Trust Deed and the Hong Kong Security Deed to enforce the rights of the Noteholders or, in respect of the Collateral, of any of the other Secured Parties under the Trust Deed, the Hong Kong Security Deed and the Notes and no Noteholder or other Secured Party may proceed directly against the Issuer or any of its assets unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed and/or the Hong Kong Security Deed, fails or neglects to do so within a reasonable period after having received notice of such failure and such failure or neglect continues for at least 30 days following receipt of such notice by the Trustee. Any proceeds received by a Noteholder or other Secured Party pursuant to any such proceedings brought by a Noteholder or other Secured Party shall be paid promptly following receipt thereof to the Trustee for application pursuant to the terms of the Trust Deed and/or the Hong Kong Security Deed. After realisation of the security which has become enforceable and distribution of the net proceeds in accordance with the Priorities of Payments, no Noteholder or other Secured Party may take any further steps against the Issuer to recover any sum still unpaid in respect of the Notes or the Issuer's obligations to such Secured Party and all claims against the Issuer to recover any sum still unpaid in respect of the Notes or the Issuer's obligations to such Secured Party and all claims against the Issuer in respect of such sums unpaid shall be extinguished. In particular, none of the Trustee, any Noteholder or any other Secured Party shall be entitled in respect thereof to petition or take any other step for the winding up of the Issuer except to the extent permitted under the Trust Deed and the Hong Kong Security Deed.

(e) Purchase of Collateral by Noteholders or Collateral Manager

Upon any sale of any part of the Collateral following the acceleration of the Notes under Condition 10(b) (*Acceleration*), whether made under the power of sale under the Trust Deed or the Hong Kong Security Deed, or by virtue of judicial proceedings, any Noteholder, the Retention Holder, the Collateral Manager or any of its Affiliates may (but shall not be obliged to) bid for and purchase the Collateral or any part thereof and, upon compliance with the terms of sale, may hold, retain, possess or dispose of such property in its or their own absolute right without accountability. In addition, any purchaser in any such sale which is a Noteholder (including the Retention Holder or Collateral Manager in such capacity) may deliver Notes held by it in place of payment of the purchase price for such Collateral where the amount payable to such Noteholder in respect of such Notes pursuant to the Priorities of Payments, had the purchase price been paid in cash, is equal to or exceeds such purchase price.

12. PRESCRIPTION

Claims in respect of principal and interest payable on redemption in full of the relevant Notes while the Notes are represented by a Definitive Certificate will become void unless presentation for payment is made as required by Condition 7 (*Redemption and Purchase*) within a period of five years, in the case of interest, and ten years, in the case of principal, from the date on which payment is respect of such Notes is received by the Principal Paying Agent.

Notwithstanding the above, claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by a Global Certificate will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the date on which any payment first becomes due.

13. REPLACEMENT OF NOTES

If any Note is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Transfer Agent, subject in each case to all applicable laws, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer or the Transfer Agent may require (**provided that** the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes must be surrendered before replacements will be issued.

14. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

(a) Provisions in Trust Deed

The Trust Deed contains provisions for convening meetings of the Noteholders (and for passing Written Resolutions) to consider matters affecting the interests of the Noteholders, including, without limitation, modifying or waiving certain of the provisions of these Conditions and the substitution of the Issuer in certain circumstances. The provisions in this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) are descriptive of the detailed provisions of the Trust Deed.

(b) Decisions and Meetings of Noteholders

(i) General

Decisions may be taken by Noteholders by way of Ordinary Resolution, Extraordinary Resolution or Written Resolution, in each case, either acting together (save as provided in

Condition 14(b)(viii) (*Resolutions Affecting Other Classes*) below) or, to the extent specified in any applicable Transaction Document or these Conditions, by a Class of Noteholders acting independently. Ordinary Resolutions and Extraordinary Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing, in each case, in at least the minimum percentages specified in the table "Minimum Percentage Voting Requirements" in Condition 14(b)(iii) (*Minimum Voting Rights*) below. Meetings of the Noteholders may be convened by the Issuer, the Trustee (subject to being indemnified and/or prefunded and/or secured to its satisfaction) or by one or more Noteholders holding not less than 10 per cent. in principal amount of the Notes Outstanding of a particular Class, subject to certain conditions, including minimum notice periods. Where decisions are required to be taken by a Written Resolution of a Class or Classes under the Trust Deed or these Conditions, such decision may only be made in accordance with Condition 14(b)(iv) (*Written Resolutions*) below.

The holder of each Global Certificate will be treated as being one Person for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Noteholders and, at any such meeting, as having one vote in respect of each US$1,000 of principal amount of Notes for which the relevant Global Certificate may be exchanged.

Notice of any Resolution passed by the Noteholders will be given by the Issuer to each Rating Agency in writing.

(ii) Quorum

The quorum required for any meeting convened to consider an Ordinary Resolution or Extraordinary Resolution, in each case, of all the Noteholders or of any Class or Classes of Noteholders, or at any adjourned meeting to consider such a Resolution, shall be as set out in the relevant column and row corresponding to the type of resolution in the table "Quorum Requirements" below.

	Quorum Requirements	
Type of Resolution	**Any meeting other than a meeting adjourned for want of quorum**	**Meeting previously adjourned for want of quorum**
Extraordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more Persons holding or representing not less than 66 2/3 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)	One or more Persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or of the relevant Class or Classes only, if applicable)
Ordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more Persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)	One or more Persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or of the relevant Class or Classes only, if applicable)

The Trust Deed does not contain any provision for greater quorums in any circumstances.

(iii) Minimum Voting Rights

Set out in the table "Minimum Percentage Voting Requirements" below are the minimum percentages required to pass the Resolutions specified in such table which, (A) in the event that such Resolution is being considered at a duly convened meeting of Noteholders, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes held or represented by any Person or Persons who vote in favour of such Resolution represents of the aggregate Principal Amount Outstanding of all applicable Notes which are represented at such meeting and are voted or, (B) in the case of any Written Resolution, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes entitled to be voted in respect of such Resolution and which are voted in favour thereof represent of the aggregate Principal Amount Outstanding of all the Notes entitled to vote in respect of such Written Resolution.

Minimum Percentage Voting Requirements

Type of Resolution	**Per cent.**
Extraordinary Resolution of all Noteholders (or of a certain Class or Classes only)	At least 66 2/3 per cent.
Ordinary Resolution of all Noteholders (or of a certain Class or Classes only)	More than 50 per cent.

(iv) Written Resolutions

Any Written Resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Noteholders and the date of such Written Resolution shall be the date on which the latest such document is signed. Any Extraordinary Resolution or Ordinary Resolution may be passed by way of a Written Resolution. The minimum percentage required for each Extraordinary Resolution and Ordinary Resolution shall be at least 66 2/3 per cent. and more than 50 per cent., respectively.

(v) All Resolutions Binding

Subject to Condition 14(f) (*Entitlement of the Trustee and Conflicts of Interest*) and in accordance with the Trust Deed, any Resolution of the Noteholders (including any resolution of a specified Class or Classes of Noteholders, where the resolution of one or more other Classes is not required) duly passed shall be binding on all Noteholders (regardless of Class and regardless of whether or not a Noteholder was present at the meeting at which such Resolution was passed).

(vi) Extraordinary Resolution

Any Resolution to sanction any of the following items will be required to be passed by an Extraordinary Resolution (in each case, subject to anything else specified in the Trust Deed, the Collateral Management and Administration Agreement or the relevant Transaction Document, as applicable):

(A) any modification of any Transaction Document having a material adverse effect on the security over the Collateral constituted by the Trust Deed;

(B) any item expressly requiring an Extraordinary Resolution pursuant to these Conditions or the Transaction Documents;

(C) the exchange or substitution for the Notes of a Class, or the conversion of the Notes of a Class into, shares, bonds or other obligations or securities of the Issuer or any other entity;

(D) the modification of any provision relating to the timing and/or circumstances of the payment of interest, the rate of interest or redemption of the Notes of a Class at maturity or otherwise (including the circumstances in which the maturity of such Notes may be accelerated);

(E) the modification of any of the provisions of the Trust Deed which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note;

(F) the adjustment of the outstanding principal amount of the Notes Outstanding of the relevant Class other than in connection with an issue of Additional Notes;

(G) a change in the currency of payment of the Notes of a Class;

(H) any change in the Priorities of Payments or of any payment items in the Priorities of Payments;

(I) the modification of the provisions concerning the quorum required at any meeting of Noteholders or the minimum percentage required to pass a Resolution; and

(J) any modification of this Condition 14(b) (*Decisions and Meetings of Noteholders*) or Schedule 4 (*Provisions for meetings of the Noteholders of each Class*) of the Trust Deed.

(vii) Ordinary Resolution

Any meeting of the Noteholders shall (in each case, subject to anything else specified in these Conditions, the Trust Deed, the Collateral Management and Administration Agreement or the relevant Transaction Document, as applicable) have power by Ordinary Resolution to approve any other matter relating to the Notes not referred to in Condition 14(b)(vi) (*Extraordinary Resolution*) above.

(viii) Resolutions Affecting Other Classes

If and for so long as any Notes of more than one Class are Outstanding, in relation to any meeting of Noteholders:

(A) subject to sub-paragraph (C) below, a Resolution which in the opinion of the Trustee affects only the Notes of a Class or Classes (the "**Affected Class(es)**"), but not another Class or Classes, as the case may be, shall be duly passed if passed at a meeting or meetings of the Noteholders of the Affected Class(es) and such Resolution shall be binding on all the Noteholders, including the holders of Notes which are not an Affected Class;

(B) subject to sub-paragraph (C) below, a Resolution which in the opinion of the Trustee affects the Notes of each Class shall be duly passed only if passed at separate meetings of the Noteholders of each Class;

(C) a Resolution passed by the Controlling Class to exercise any rights granted to them pursuant to the Conditions or any Transaction Document shall be duly passed if passed at a meeting of the Controlling Class and such Resolution shall be binding on all the Noteholders without the requirement for any meeting of any other Class of Noteholders; and

(D) a Resolution passed by the holder of the Subordinated Notes to exercise the rights granted to them pursuant to the Conditions shall be passed if passed only at a meeting of the holders of the Subordinated Notes and such resolution shall be binding on all of the Noteholders.

(c) Modification and Waiver

The Trust Deed and the Collateral Management and Administration Agreement both provide that, without the consent of the Noteholders (other than as otherwise provided in sub-paragraphs (x) and (xv) below), the Issuer may amend, modify, supplement and/or waive the relevant provisions of the Trust Deed and/or the Collateral Management and Administration Agreement and/or any other Transaction Document (subject to the consent of the other parties thereto, except as otherwise provided in these Conditions or the Trust Deed (as applicable)) and, without affecting the right of the Trustee under sub-paragraphs (ix) and (xi) below, other than any such amendment, modification, supplement and/or waiver that has the effect of sanctioning an item which is required to be passed by Extraordinary Resolution under Condition 14(b)(vi) (*Extraordinary Resolution*), the Trustee shall consent to (without the consent of the Noteholders (save as provided below)) such amendment, supplement, modification or waiver, save as provided below (other than in the case of an amendment, modification, supplement or waiver, pursuant to sub-paragraphs (ix) and (xi) below, which shall be subject to the prior written consent of the Trustee in accordance with the relevant paragraph), for any of the following purposes:

(i) to add to the covenants of the Issuer for the benefit of the Noteholders;

(ii) to charge, convey, transfer, assign, mortgage or pledge any property to or with the Trustee;

(iii) to correct or amplify the description of any property at any time subject to the security of the Trust Deed or the Hong Kong Security Deed, or to better assure, convey and confirm unto the Trustee any property subject or required to be subject to the security of the Trust Deed or the Hong Kong Security Deed (including, without limitation, any and all actions necessary or desirable as a result of changes in law or regulations) or subject to the security of the Trust Deed or the Hong Kong Security Deed any additional property;

(iv) to evidence and provide for the acceptance of appointment under the Trust Deed or the Hong Kong Security Deed by a successor Trustee subject to and in accordance with the terms of the Trust Deed or the Hong Kong Security Deed (as applicable) and to add to or change any of the provisions of the Trust Deed or the Hong Kong Security Deed as shall be necessary to facilitate the administration of the trusts under the Trust Deed or the Hong Kong Security Deed by more than one Trustee, pursuant to the requirements of the relevant provisions of the Trust Deed;

(v) to make such changes as shall be necessary or advisable in order for the Rated Notes of each relevant Class to be (or to remain) listed on the SEHK or any other exchange and to authorise the appointment of any listing agent, transfer agent, paying agent or additional registrar for any Class of Notes required or advisable in connection with the listing of such Notes, and otherwise to amend the Trust Deed and/or the Hong Kong Security Deed to incorporate any changes required or requested by any governmental authority, stock

exchange authority, listing agent, transfer agent, paying agent or additional registrar for any Class of Notes in connection therewith;

(vi) save as contemplated in Condition 14(e) (*Substitution*) below, to take any action advisable to prevent the Issuer from becoming subject to (or otherwise reduce) withholding or other taxes, fees or assessments;

(vii) to take any action advisable to prevent the Issuer from being treated as engaged in a United States trade or business or otherwise being subject to United States federal, state or local income tax on a net income basis;

(viii) to enter into any additional agreements not expressly prohibited by the Trust Deed or the Collateral Management and Administration Agreement (as applicable);

(ix) to make any other modification of any of the provisions of any Transaction Document which, in the opinion of the Trustee, is of a formal, minor or technical nature or is made to correct a manifest error and, in the case of a modification of the Collateral Management and Administration Agreement, subject to the consent in writing of the Collateral Manager;

(x) subject to Rating Agency Confirmation and the consent of the Controlling Class acting by Ordinary Resolution, to make any modifications to the Coverage Tests or the Reinvestment Criteria and all related definitions (including in order to reflect changes in the methodology applied by each Rating Agency);

(xi) to make any other modification (save as otherwise provided in the Trust Deed, the Collateral Management and Administration Agreement or the relevant Transaction Document), and/or give any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, the Hong Kong Security Deed or any other Transaction Document which in the opinion of the Trustee is not materially prejudicial to the interests of the Noteholders of any Class and, in the case of a modification of the Collateral Management and Administration Agreement, subject to the consent in writing of the Collateral Manager;

(xii) to amend the name of the Issuer;

(xiii) to make any amendments to the Trust Deed, the Hong Kong Security Deed or any other Transaction Document to enable the Issuer to comply with FATCA or CRS or comply with any other similar regime for the reporting and automatic exchange of information;

(xiv) to make any changes necessary to reflect any issuances of Additional Notes;

(xv) to modify the terms of the Transaction Documents in order that they may be consistent with the requirements of the Rating Agency, including to address any change in the rating methodology employed by the Rating Agency, subject to receipt of Rating Agency Confirmation (or such other confirmation as the Rating Agency is willing to provide from time to time) in respect of the Rated Notes from the Rating Agency then rating the Rated Notes (upon which confirmation the Trustee shall be entitled to rely absolutely and without liability) unless directed otherwise by the holders of the Controlling Class acting by way of Ordinary Resolution;

(xvi) to modify the Transaction Documents in order to comply with the Risk Retention Requirements, any requirements of the CRA Regulation and/or any other law or regulation in any applicable jurisdiction, including any implementing regulation, technical standards and guidance related thereto;

(xvii) to modify the restrictions on and procedures for resales and other transfers of Notes to reflect any changes in applicable law or regulation (or the interpretation thereof);

(xviii) to evidence the succession of another Person to the Issuer and the assumption by any such successor Person of the covenants of the Issuer in the Transaction Documents and in the Notes, **provided that** any such successor issuer shall not have a worse position than the Issuer in respect of any legal or regulatory requirement or tax treatment;

(xix) to amend, modify or otherwise accommodate changes to any Transaction Document relating to the administrative procedures resulting from updates to the Moody's Rating Factors on the Infra Loan Obligations as required by the rating criteria of each Rating Agency;

(xx) to accommodate the settlement of the Notes in book-entry form through the facilities of the Depository or otherwise;

(xxi) to reduce the permitted Minimum Denomination of the Notes, **provided that** any such reduction in Minimum Denomination shall not adversely affect the Issuer (in respect of any legal or regulatory requirement, any listing rules applicable to the Rated Notes, or tax treatment of the Issuer);

(xxii) to change the date within the month on which reports are required to be delivered;

(xxiii) to make (at the direction of the Collateral Manager) any Benchmark Replacement Conforming Changes following a Benchmark Replacement Date; and

(xxiv) to make any other modification of any of the provisions of the Trust Deed, the Hong Kong Security Deed, the Collateral Management and Administration Agreement or any other Transaction Document to comply with changes in the Risk Retention Requirements or which result from the implementation of the implementing technical standards relating thereto or any subsequent risk retention legislation or official guidance.

Any such modification, authorisation or waiver shall be binding upon the Noteholders and shall be notified by the Issuer as soon as practicable following the execution of any supplemental trust deed or any other modification, authorisation or waiver pursuant to this Condition 14(c) (*Modification and Waiver*) to:

(A) each Rating Agency, so long as any of the Rated Notes remain Outstanding; and

(B) the Noteholders in accordance with Condition 16 (*Notices*).

For the avoidance of doubt, the Trustee shall, without the consent or sanction of any of the Noteholders (other than as otherwise provided in sub-paragraphs (x) and (xv) above) or any other Secured Party, concur with the Issuer in making any modification, amendment, waiver or authorisation pursuant to this Condition 14(c) (*Modification and Waiver*), which the Issuer certifies to the Trustee (upon which certification the Trustee is entitled to rely without enquiry or liability) is (A) required to comply with the criteria under one or more of sub-paragraphs (i) to (xxiv) (inclusive) above or, as the case may be, is solely to implement and reflect such criteria and (B) in each case, has been drafted solely to such effect (other than a modification, waiver or authorisation pursuant to sub-paragraphs (ix) and (xi) above in which the Trustee may, without the consent or sanction of any of the Noteholders or any other Secured Party, concur with the Issuer on the basis set out therein) to the Transaction Documents, **provided that** the Trustee shall not be obliged to agree to any modification, waiver, authorisation or any other matter which, in the opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against

which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights, powers, indemnities or protections, of the Trustee in respect of the Transaction Documents.

In the case of a request for consent to a modification, amendment, waiver or authorisation pursuant to sub-paragraphs (ix) and (xi) above, the Trustee shall be entitled to obtain legal, financial or other expert advice, at the expense of the Issuer, and rely on such advice without liability in connection with determining whether or not to give such consent (if applicable or required) as it sees fit.

In the case of a request for consent to a modification, amendment, waiver or authorisation pursuant to sub-paragraph (x) or (xv) above, the Issuer will provide prompt notice thereof to the holders of the Controlling Class, whereupon the Controlling Class will have 15 Business Days from receipt of notice of the proposed modification, amendment, waiver or authorisation in accordance with Condition 16 (*Notices*) to notify the Issuer of whether it opposes such modification, amendment, waiver or authorisation. If at the end of such 15 Business Day period, holders of the Controlling Class by Ordinary Resolution have notified the Issuer that they oppose such modification, amendment, waiver or authorisation, no modification, amendment, waiver or authorisation may take effect.

Notwithstanding any other provision of these Conditions, the Issuer may, without the consent of any other Person, make such amendments to the Corporate Services Agreement as shall be necessary to document the resignation, replacement and/or appointment of one or more Directors, **provided that** following such amendments, such document shall be in substantially the same form as those entered into on the Closing Date. Upon the effectiveness of such amendments, the Issuer shall provide notice thereof to each of the parties to the Corporate Services Agreement.

(d) Effect of Benchmark Transition Event

(i) Benchmark Replacement

If the Collateral Manager determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, then upon delivery of written notice by the Collateral Manager to the Issuer (who shall, within five Business Days, forward such notice to the Noteholders at the direction of the Collateral Manager), the Trustee and the Calculation Agent, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the transactions under these Conditions in respect of such determination on such date and all determinations on all subsequent dates. A supplemental trust deed shall not be required in order to adopt a Benchmark Replacement.

The Issuer (or the Collateral Manager on its behalf) shall notify each Rating Agency of the adoption of any Benchmark Replacement.

(ii) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Collateral Manager will have the right to make Benchmark Replacement Conforming Changes from time to time pursuant to a supplemental trust deed or by delivery of written notice to the Issuer (who shall forward such notice to the Noteholders at the direction of the Collateral Manager), the Trustee and the Calculation Agent.

(iii) Decisions and Determinations

Any determination, decision or election that may be made by the Collateral Manager pursuant to this Condition 14(d) (*Effect of Benchmark Transition Event*), including any determination with respect to tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Collateral Manager's sole determination using reasonable judgement in accordance with the terms of the Collateral Management and Administration Agreement, and, notwithstanding anything to the contrary in these Conditions, shall become effective without consent from any other party.

(iv) Liability Regarding Benchmark Replacement

(A) The Trustee, when implementing any Benchmark Replacement Conforming Changes, shall not consider the interests of the Noteholders, any other Secured Parties or any other Person and shall act and rely solely and without further investigation, on any Benchmark Replacement Conforming Changes certificate provided to it by the Collateral Manager in accordance with Condition 14(c)(ii) (*Modification and Waiver*) (upon which the Trustee is entitled to rely without enquiry or liability).

(B) Further, the Trustee and the Agents shall not be liable to the Noteholders, any other Secured Parties or any other Person for so acting or relying, irrespective of whether any such Benchmark Replacement Conforming Changes are or may be materially prejudicial to the interests of any such Person, and (to the extent that any Benchmark Replacement Conforming Changes require the agreement of the Trustee and/or an Agent) the Trustee or such Agent shall not be obliged to agree to any Benchmark Replacement Conforming Changes which, in its sole opinion, would have the effect of (i) exposing the Trustee or such Agent to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights of protection, of the Trustee or such Agent in the Transaction Documents and/or these Conditions.

(e) Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require (without the consent of the Noteholders of any Class), to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes of each Class, if required for taxation purposes, **provided that** such substitution would not, in the opinion of the Trustee, be materially prejudicial to the interests of the Noteholders of any Class. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, but subject to receipt of Rating Agency Confirmation (subject to receipt of such information and/or opinions as each Rating Agency may require), to a change of the law governing the Notes and/or the Trust Deed, **provided that** such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of any Class. Any substitution agreed by the Trustee pursuant to this Condition 14(e) (*Substitution*) shall be binding on the Noteholders and shall be notified by the Issuer to the Noteholders as soon as practicable in accordance with Condition 16 (*Notices*).

The Trustee may, subject to the satisfaction of certain conditions specified in the Trust Deed, including receipt of Rating Agency Confirmation, agree to a change in the place of residence of the Issuer for taxation purposes without the consent of the Noteholders of any Class, provided the Issuer does all such things as the Trustee may reasonably require in order that such change in the place of residence of the Issuer for taxation purposes is fully effective and complies with such other requirements which are in the interests of the Noteholders as it may reasonably direct.

The Issuer shall procure that, so long as the Rated Notes are listed on the SEHK, any material amendments or modifications to the Conditions, the Trust Deed, the Hong Kong Security Deed or such other conditions made pursuant to this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) shall be notified to the SEHK.

(f) Entitlement of the Trustee and Conflicts of Interest

In connection with the exercise of its trusts, powers, duties and discretions (including but not limited to those referred to in this Condition 14(f) (*Entitlement of the Trustee and Conflicts of Interest*)), the Trustee shall have regard to the interests of each Class of Noteholders as a Class and shall not have regard to the consequences of such exercise for individual Noteholders of such Class and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustee or any other Person any payment in respect of any tax consequence of any such exercise upon individual Noteholders.

In considering the interests of Noteholders while the Global Certificates are held on behalf of a Depository, the Trustee may have regard to any information provided to it by such Depository or its operator as to the identity (either individually or by category) of its account holders with entitlements to each Global Certificate and may consider such interests as if such account holders were the holders of any Global Certificate. The Trust Deed provides that in the event of any conflict of interest between or among the holders of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Subordinated Notes, the interests of the holders of the Controlling Class will prevail. If the holders of the Controlling Class do not have an interest in the outcome of the conflict, the Trustee shall give priority to the interests of (i) the Class A Noteholders over the Class B Noteholders, the Class C Noteholders, the Class D Noteholders and the holders of the Subordinated Notes, (ii) the Class B Noteholders over the Class C Noteholders, the Class D Noteholders and the holders of the Subordinated Notes, (iii) the Class C Noteholders over the Class D Noteholders and the holders of the Subordinated Notes, and (iv) the Class D Noteholders over the holders of the Subordinated Notes. If the Trustee receives conflicting or inconsistent requests from two or more groups of holders of a Class, given their priority as described in this paragraph, each representing less than the majority by principal amount of such Class, the Trustee shall give priority to the group which holds the greater amount of Notes Outstanding of such Class. The Trust Deed provides further that, except as expressly provided otherwise in any applicable Transaction Document or these Conditions, the Trustee will act upon the directions of the holders of the Controlling Class (or other Class given priority as described in this paragraph where the holders of the Class or Classes having priority over such other Class do not have an interest in the subject matter of such directions) (in each case acting by Extraordinary Resolution) subject to being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities to which it may thereby become liable or which may be incurred by it in connection therewith, and shall not be obliged to consider the interests of and is exempted from any liability to the holders of any other Class of Notes, **provided that** such action is consistent with the applicable law and with all other provisions of the Trust Deed.

In addition, the Trust Deed provides that, so long as any Note is Outstanding, the Trustee shall, as regards all the powers, trusts, authorities, duties and discretions vested in it by the Trust Deed except where expressly provided otherwise, have no regard to the interests of any Secured Party other than the Noteholders or, at any time, to the interests of any other Person.

15. INDEMNIFICATION OF THE TRUSTEE

The Trust Deed and the Hong Kong Security Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility in certain circumstances, including provisions relieving it from instituting proceedings to enforce repayment or to enforce the security constituted by or pursuant to the Trust Deed and/or the Hong Kong Security Deed, unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer or any other party to any Transaction Document and any entity related to the Issuer or any other party to any Transaction Document without accounting for any profit. The Trustee is exempted from any liability in respect of any loss or theft or reduction in value of the Collateral from any obligation to insure, or to monitor the provisions of any insurance arrangements in respect of, the Collateral (for the avoidance of doubt, under the Trust Deed and the Hong Kong Security Deed, the Trustee is under no such obligation) and from any claim arising from the fact that the Collateral is held in safe custody by a bank or other custodian. The Trustee shall not be responsible for the performance by the Collateral Manager of any of its duties under the Collateral Management and Administration Agreement, for the performance by the Transaction Administrator of its duties under the Collateral Management and Administration Agreement or for the performance by any other Person appointed by the Issuer in relation to the Notes or by any other party to any Transaction Document. The Trustee shall not have any responsibility for the administration, management or operation of the Collateral, including the request by the Collateral Manager to release any of the Collateral from time to time.

The Trust Deed contains provisions for the retirement of the Trustee and the removal of the Trustee by Extraordinary Resolution of the Controlling Class, but no such retirement or removal shall become effective until a successor trustee is appointed.

16. NOTICES

Notices to Noteholders will be valid if posted to the address of such Noteholder appearing in the Register at the time of publication of such notice by prepaid, first-class mail (or any other manner approved by the Trustee, including by electronic transmission) and (for so long as the Rated Notes are listed on the SEHK and the rules of the SEHK so require) shall be published as required by the rules of the SEHK. Any such notice shall be deemed to have been given to the Noteholders (a) in the case of inland mail, three days after the date of dispatch thereof, (b) in the case of overseas mail, seven days after the dispatch thereof or, (c) in the case of electronic transmission, on the date of dispatch.

Notices will be valid and will be deemed to have been given, for so long as the Rated Notes are listed on the SEHK and the rules of the SEHK so require, when such notice is published as required by the rules of the SEHK.

The Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders (or a category of them) if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Notes are then listed and **provided that** notice of such other method is given to the Noteholders in such manner as the Trustee shall require.

Notwithstanding the above, so long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a Depository, notices to Noteholders may be given by delivery of the relevant notice to that depository for communication by it to entitled account holders in substitution for delivery thereof as required by the Conditions of such Notes, **provided that** such notice is also published as required by the rules of the SEHK or so long as such Notes are listed on the SEHK and the rules of the SEHK so require. Such notice will be deemed to have been given to the Noteholders on the date of delivery of the relevant notice to the relevant Depository.

17. ADDITIONAL ISSUANCES OF NOTES

(a) Rated Notes

The Issuer may, during the Reinvestment Period, subject to the approval of the Collateral Manager, the holders of the Subordinated Notes and, in the case of the issuance of additional Class A Notes, subject to the approval of the Controlling Class of such Noteholders, in each case acting by Ordinary Resolution, create and issue further Class A Notes, Class B Notes, Class C Notes or Class D Notes having the same terms and conditions as existing Classes of Notes (save as provided below) and which shall be consolidated and form a single series with the Outstanding Notes of such Class (unless otherwise provided), and will use the proceeds of sale thereof to purchase additional Infra Loan Obligations, **provided that** the following conditions are satisfied:

(i) such additional issuances in relation to the applicable Class of Notes may not exceed 100.0 per cent. in the aggregate of the original aggregate principal amount of such Class of Notes;

(ii) such additional Notes must be issued for a cash sale price and the net proceeds invested in Reinvestment Infra Loan Obligations;

(iii) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Notes must be identical to the terms of the previously issued Notes of the applicable Class of Notes;

(iv) the Issuer must notify the Trustee and each Rating Agency then rating any Rated Notes of such additional issuance and obtain Rating Agency Confirmation from each Rating Agency in respect of such additional issuance;

(v) the Coverage Tests will be maintained or improved after giving effect to such additional issuance of Notes when compared with the results of such tests immediately prior to such additional issuance of Notes;

(vi) the holders of the relevant Class of Notes in respect of which further Notes are issued shall have been notified in writing by the Issuer at least 30 days prior to such issuance and shall have been afforded the opportunity to purchase additional Notes of the relevant Class in an amount not to exceed the percentage of the relevant Class of Notes each holder held immediately prior to the issuance (the "**Anti-Dilution Percentage**") of such additional Notes and on the same terms offered to investors generally;

(vii) (so long as the existing Notes of the Class of Notes to be issued are listed on the SEHK) the additional Notes of such Class to be issued are in accordance with the requirements of the SEHK and are listed on the SEHK;

(viii) such additional issuances are in accordance with all applicable laws, including, without limitation, the securities and banking laws and regulations of Hong Kong and do not adversely affect the Hong Kong tax position of the Issuer;

(ix) no additional Notes may be issued if, after issuance and purchase of such additional Notes, a Risk Retention Deficiency would occur; and

(x) such additional Notes must be of each Class of Notes and issued in a proportionate amount among the Classes so that the relative proportions of the aggregate principal amount of the Classes of Notes existing immediately prior to such additional issuance remain unchanged immediately following such additional issuance.

References in these Conditions to the "**Notes**" include (unless the context requires otherwise) any other securities issued pursuant to this Condition 17 (*Additional Issuances of Notes*) and forming a single series with the Notes. Any further securities forming a single series with Notes constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

(b) Subordinated Notes

The Issuer may, during the Reinvestment Period, also create and issue further Subordinated Notes (without issuing Notes of any other Class) having the same terms and conditions as existing Subordinated Notes (save as provided below) and subject (i) to the approval of the holders of the Subordinated Notes acting by Ordinary Resolution and the prior written approval of the Retention Holder, or (ii) at the direction of the Retention Holder, and which, in each case, shall be consolidated and form a single series with the Outstanding Subordinated Notes, and will use the proceeds of sale thereof to purchase additional Infra Loan Obligations, **provided that** the following conditions are satisfied:

(i) the subordination terms of such Subordinated Notes are identical to the terms of the previously issued Subordinated Notes;

(ii) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Subordinated Notes must be identical to the terms of the previously issued Subordinated Notes;

(iii) such additional Subordinated Notes are issued for cash, with the net proceeds to be deposited (x) where such net proceeds are to be reinvested or retained for purchase of Reinvestment Infra Loan Obligations and the payment of any transfer fees, break costs and other amounts ancillary thereto, into the Collection Account and (y) otherwise into the Principal Account;

(iv) the Issuer must notify the Rating Agency then rating any Rated Notes of such additional issuance;

(v) the holders of the Subordinated Notes shall have been notified in writing 30 days prior to such issuance and shall have been afforded the opportunity to purchase additional Subordinated Notes in an amount not to exceed the Anti-Dilution Percentage of such additional Subordinated Notes and on the same terms offered to investors generally;

(vi) such additional issuances are in accordance with all applicable laws, including, without limitation, the securities and banking laws and regulations of Hong Kong and do not adversely affect the Hong Kong tax position of the Issuer; and

(vii) any issuance of additional Subordinated Notes would not result in non-compliance of the transaction with the Risk Retention Requirements.

References in these Conditions to the "Notes" include (unless the context requires otherwise) any other securities issued pursuant to this Condition 17 (*Additional Issuances of Notes*) and forming a single series with the Notes. Any further securities forming a single series with Notes constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

18. THIRD PARTY RIGHTS

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

19. GOVERNING LAW

(a) Governing Law

The Trust Deed and each Class of Notes and any dispute, controversy, proceedings or claim of whatever nature (whether contractual or non-contractual) arising out of or in any way relating to the Trust Deed or any Class of Notes are governed by, and shall be construed in accordance with, English law. The Corporate Services Agreement and the Hong Kong Security Deed are governed by, and shall be construed in accordance with, the laws of Hong Kong.

(b) Jurisdiction

The courts of England and Wales are to have jurisdiction to settle any disputes (whether contractual or non-contractual) which may arise out of or in connection with the Notes, and accordingly any legal action or proceedings arising out of or in connection with the Notes ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Noteholders and the Trustee and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Agent for Service of Process

The Issuer appoints Intertrust (UK) Limited (having an office, at the date of the Information Memorandum, at 1 Bartholomew Lane, London EC2N 2AX, United Kingdom) as its agent in England to receive service of process in any Proceedings in England based on any of the Notes. If for any reason the Issuer does not, or ceases to, have such agent in England, it will promptly appoint a substitute process agent and notify the Trustee and the Noteholders of such appointment. Nothing herein shall affect the right to service of process in any other manner permitted by law.

TAXATION

General

Potential investors of Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Note.

POTENTIAL PURCHASERS ARE WHOLLY RESPONSIBLE FOR DETERMINING THEIR OWN TAX POSITION IN RESPECT OF THE NOTES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THEIR TAX POSITION ON PURCHASE, OWNERSHIP, TRANSFER OR EXERCISE OF ANY NOTE SHOULD CONSULT THEIR OWN TAX ADVISERS. IN PARTICULAR, NO REPRESENTATION IS MADE AS TO THE MANNER IN WHICH PAYMENTS UNDER THE NOTES WOULD BE CHARACTERISED BY ANY RELEVANT TAXING AUTHORITY. POTENTIAL INVESTORS SHOULD BE AWARE THAT THE RELEVANT FISCAL RULES OR THEIR INTERPRETATION MAY CHANGE, POSSIBLY WITH RETROSPECTIVE EFFECT, AND THAT THIS SUMMARY IS NOT EXHAUSTIVE. THIS SUMMARY DOES NOT CONSTITUTE LEGAL OR TAX ADVICE OR A GUARANTEE TO ANY POTENTIAL INVESTOR OF THE TAX CONSEQUENCES OF INVESTING IN THE NOTES.

Hong Kong Taxation

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

Profits Tax

Profits tax is charged on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets) according to the Inland Revenue Ordinance (Cap. 112 of the Laws of Hong Kong) (the "**Inland Revenue Ordinance**"). The definition of a person includes a corporation, partnership and trustee. Whether a person is carrying on business in Hong Kong is ultimately a question of fact having regard to the circumstances as a whole and determined by a number of indicia, with no single indicium being determinative. The question of source of profits is a practical, hard matter of fact. The broad guiding principle from judicial precedents requires that one looks to see what the taxpayer has done to earn the profit in question and where he has done it in determining the source of profits for Hong Kong profits tax purposes.

The standard prevailing profits tax rate for corporations is 16.5 per cent. and for unincorporated businesses is 15 per cent. The two-tiered profits tax rates system is available starting from the year of assessment 2018/19. Under the system, the profits tax rate for the first HK$2 million of assessable profits will be lowered by half to 8.25 per cent. / 7.5 per cent. with any remaining balance being taxed at 16.5 per cent. A group of connected entities can only nominate one entity to apply the two-tiered profits tax rates. Two entities will be regarded as connected if one has control over the other or if both are under common control.

Implications for the Issuer

The Issuer should be regarded as carrying on a business in Hong Kong and hence the Issuer should be chargeable to profits tax in respect of any assessable profits arising in or derived from Hong Kong from this business based on prevailing law. The Issuer's Hong Kong sourced income, which will include interest income, fees or charges in respect of the Infra Loan Obligations, after deduction of all outgoings

and expenses to the extent to which they are incurred in the production of the Issuer's assessable profits and of a revenue nature, should be chargeable to profits tax.

Implications for the Noteholders

If a Noteholder carries on a trade, profession or business in Hong Kong, it should be chargeable to Hong Kong profits tax in respect of any Hong Kong sourced profits derived from such trade, profession or business excluding profits arising from the sale of capital assets.

Noteholders should seek their own independent Hong Kong tax advice on this issue.

Stamp Duty

No stamp duty is payable on the issue of Notes. Stamp duty may be payable on any transfer of Notes if the Notes are regarded as "stock" (as defined in the Stamp Duty Ordinance (Cap. 117 of the Laws of Hong Kong) (the "**Stamp Duty Ordinance**")) and the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable on any transfers of Notes, **provided that** either:

(i) the Notes are denominated in a currency other than the currency of Hong Kong and are not redeemable in any circumstances in the currency of Hong Kong; or

(ii) the Notes constitute loan capital (as defined in the Stamp Duty Ordinance).

Since the Notes are denominated in a currency other than the currency of Hong Kong and are not redeemable in any circumstances in the currency of Hong Kong, the Notes should not be considered as "Hong Kong stock" for stamp duty purposes. Accordingly, the issuance and subsequent transfer of the Notes should not be subject to Hong Kong stamp duty.

Foreign Account Tax Compliance Act (FATCA)

Pursuant to FATCA, the Issuer, and other non-US financial institutions through which payments on the Notes are made, may be required to withhold tax on all, or a portion of, payments made after 31 December 2018 on any Notes issued or materially modified on or after the date that is six months after final US Treasury Regulations defining the term "foreign passthru payment" are filed. Such withholding may be required, among others, where (i) the Issuer or such other non-US financial institution is a foreign financial institution ("**FFI**") that agrees to provide certain information on its account holders to the IRS (making the Issuer or such other non-US financial institution a "**participating FFI**") and (ii)(a) the payee itself is an FFI but is not a participating FFI or does not provide information sufficient for the relevant participating FFI to determine whether the payee is subject to withholding under FATCA or (b) the payee is not a participating FFI and is not otherwise exempt from FATCA withholding. Hong Kong has an intergovernmental agreement with the United States (the "**IGA**") to implement FATCA. Guidance regarding compliance with FATCA and the IGA may alter the rules described herein, including treatment of foreign passthru payments. Notwithstanding anything herein to the contrary, if an amount of, or in respect of, withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes as a result of FATCA, neither the Issuer nor any other person would, pursuant to terms of the Notes, be required to pay any additional amounts as a result of the deduction or withholding of such tax.

Under the applicable US Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payment of interest on a Note. While withholding under FATCA would have applied also to payments of gross proceeds from the sale or other disposition of a Note after 31 December 2018, proposed US Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed US Treasury Regulations until final US Treasury Regulations are issued.

If a Noteholder fails to provide the Issuer or its agents with any correct, complete and accurate information that may be required for the Issuer to comply with FATCA and to prevent the imposition of US federal withholding tax under FATCA on payments to or for the benefit of the Issuer, or if the noteholder's ownership of any Notes would otherwise cause the Issuer to be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise distributable to the noteholder, to compel the Noteholder to sell its Notes, and, if the Noteholder does not sell its Notes within 30 days after notice from the Issuer, to sell the noteholder's Notes on behalf of the Noteholder (and such sale could be for less than its then fair market value).

THE RULES GOVERNING FATCA ARE COMPLICATED. INVESTORS SHOULD CONSULT THEIR TAX ADVISERS TO DETERMINE WHETHER THESE RULES MAY APPLY TO PAYMENTS THEY WILL RECEIVE UNDER THE NOTES.

Future Legislation and Regulatory Changes Affecting Noteholders

Future legislation, regulations, rulings or other authority could affect the federal income tax treatment of the Issuer and Noteholders. The Issuer cannot predict whether and to what extent any such legislative or administrative changes could change the tax consequences to the Issuer and to the Noteholders. Potential investors should consult their tax advisers regarding possible legislative and administrative changes and their effect on the federal tax treatment of the Issuer and their investment in the Notes.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR NOTEHOLDER. EACH POTENTIAL INVESTOR IS STRONGLY URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE NOTEHOLDER'S OWN CIRCUMSTANCES.

SUBSCRIPTION AND SALE

This section consists of a summary of certain provisions in relation to the subscription and sale of the Notes, including a summary of certain provisions of the Subscription Agreement. It does not purport to be complete and is qualified by reference to the detailed provisions of such agreement. *The information appearing in this section has not been independently verified by the Sponsor, the Collateral Manager, the Issuer, any of the Sole Global Coordinator and the Joint Bookrunners, or any other party. As far as the Issuer is aware and is able to ascertain from information from the Sponsor, no facts have been omitted which would render the information in this section incorrect or misleading in any material respect. No party assumes any responsibility for the accuracy or completeness of such information.*

The Issuer has entered into a subscription agreement with HKMC, the Sole Global Coordinator and the Joint Bookrunners dated 30 August 2024 (the "**Subscription Agreement**"), pursuant to which and subject to certain conditions contained therein (a) the Issuer agreed to sell, and the Sole Global Coordinator and the Joint Bookrunners have agreed, severally and not jointly, to subscribe and pay for the aggregate principal amount of each class of Rated Notes indicated opposite its name in the Subscription Agreement at 100.0 per cent. of their principal amount and (b) HKMC has agreed to subscribe and pay for the Subordinated Notes at 100.0 per cent. of their principal amount. The Issuer has agreed in the Subscription Agreement to pay fees to the Sole Global Coordinator and the Joint Bookrunners in consideration of their subscription and payment of the Notes.

The Sole Global Coordinator and the Joint Bookrunners, and/or their respective affiliates are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, corporate finance and other services, hedging, financing and brokerage activities ("**Banking Services or Transactions**"). Each of the Sole Global Coordinator and the Joint Bookrunners, and/or their respective affiliates may have engaged in, and may in the future engage in, various Banking Services or Transactions in the ordinary course of business with the Issuer, the Collateral Manager or their respective Affiliates from time to time, for which they have received or will receive customary fees and commissions.

The Sole Global Coordinator and the Joint Bookrunners, and/or their respective affiliates may also purchase the Notes and allocate the Notes for asset management and/or proprietary purposes but not with a view to distribution. Such entities may hold or sell such Notes or purchase further Notes for their own account in the secondary market or deal in any other securities of the Issuer or the Collateral Manager and, therefore, they may offer or sell the Notes or other securities otherwise than in connection with the offering of the Notes. Accordingly, references herein to the Notes being 'offered' should be read as including any offering of the Notes to the Sole Global Coordinator and the Joint Bookrunners, and/or their respective affiliates, or Affiliates of the Issuer or the Collateral Manager for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so. Furthermore, it is possible that only a limited number of investors may subscribe for a significant proportion of the Notes. If this is the case, liquidity of the Notes may be constrained (see the section entitled "*Risk Factors — Risks relating to the Notes and the Collateral — The Notes will have limited liquidity, and there may be restrictions on transfer of the Notes*) of this Information Memorandum". The Issuer, the Collateral Manager, HKMC, the Sole Global Coordinator and the Joint Bookrunners are under no obligation to disclose the extent of the distribution of the Notes among individual investors.

In the ordinary course of their various business activities, the Sole Global Coordinator and the Joint Bookrunners, and/or their respective affiliates make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuer, the Sponsor, HKMC, the Collateral Manager or their respective Affiliates, including the Notes, may be entered into at the same time or proximate to offers and sales of the Notes or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of the Notes. Certain of the Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates that have a lending relationship with the Issuer and/or the Collateral Manager routinely hedge their credit exposure to the Issuer, the Sponsor and/or the Collateral Manager consistent with their customary risk management policies. Typically, such Sole Global Coordinator or Joint Bookrunners, or their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's, HKMC's the Sponsor's and/or the Collateral Manager's securities, including, potentially, the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Sole Global Coordinator and the Joint Bookrunners, and their respective affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Notes or other financial instruments of the Issuer, the Sponsor, HKMC or the Collateral Manager, and may recommend to their clients that they acquire long and/or short positions in the Notes or other financial instruments.

Selling Restrictions

General

This Information Memorandum does not constitute an offer, solicitation or invitation to subscribe for and/or purchase the Notes in any jurisdiction in which such offer, solicitation or invitation is unlawful or is not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation.

Accordingly, the Notes may not be delivered, offered or sold, directly or indirectly, and none of this Information Memorandum, its accompanying documents or any offering materials or advertisements in connection with the Notes may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Investors are advised to consult their legal advisers prior to applying for the Notes or making any offer, sale, resale or other transfer of the Notes.

Each person or entity who purchases the Notes shall do so in accordance with the securities regulations in each jurisdiction applicable to it.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Sole Global Coordinator or any Joint Bookrunner, or any affiliate of them is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Sole Global Coordinator or such Joint Bookrunner, or such affiliate on behalf of the Issuer in such jurisdiction.

Hong Kong

Each of the Sole Global Coordinator and the Joint Bookrunners has represented and agreed that it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "**SFO**") and any rules made under the SFO.

Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the Code imposes on CMIs, which require the attention and co-operation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for this offering and are subject to additional requirements under the Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the Sole Global Coordinator and the Joint Bookrunners accordingly.

CMIs are informed that the marketing and investor targeting strategy for this offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds and family offices, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Information Memorandum.

CMIs should ensure that orders placed are *bona fide*, are not inflated and do not constitute duplicated orders (i.e., two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

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

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

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

When placing an order for the Notes, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the Code. Private banks should be aware that placing an order on a "principal" basis may require the Sole Global Coordinator and the Joint Bookrunners to categorise it as a proprietary order and apply the "proprietary orders" requirements of the Code to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to synhk@sc.com, ib_cicc_bauhinia2@cicc.com.cn and gscs-apac@natixis.com.

To the extent that information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to the OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to the OCs. By submitting an order and providing such information to the OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by the OCs and/or any other third parties as may be required by the Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the Code, for the purpose of complying with the Code, during the book-building process for this offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The Sole Global Coordinator and the Joint Bookrunners may be asked to demonstrate compliance with their obligations under the Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the Sole Global Coordinator or the relevant Joint Bookrunner with such evidence within the timeline requested.

By placing an order, prospective investors (including any underlying investors in relation to omnibus orders) are deemed to represent to the Sole Global Coordinator and the Joint Bookrunners that it is not a Sanctions Restricted Person. A "**Sanctions Restricted Person**" means an individual or entity (a "**Person**") with whom dealings are restricted or prohibited by any Sanctions, including any Person: (a) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (i) the most current "Specially Designated Nationals and Blocked Persons" list (which as of the date hereof can be found at: http://www.treasury.gov/ofac/downloads/sdnlist.pdf) or (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: http://www.treasury.gov/ofac/downloads/fse/fselist.pdf) or (iii) the most current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as of the date hereof can be found at:

https://eeas.europa.eu/headquarters/headquartershomepage_en/8442/Consolidated%20list%20of%20sanctions); or (b) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of: (i) their inclusion in the most current "Sectoral Sanctions Identifications" list (which as of the date hereof can be found at: https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf) (the "**SSI List**"), (ii) their inclusion in Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the "**EU Annexes**"), (iii) their inclusion in any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes, (iv) them being the subject of restrictions imposed by the US Department of Commerce's Bureau of Industry and Security ("**BIS**") under which BIS has restricted exports, re-exports or transfers of certain controlled goods, technology or software to such individuals or entities; (v) them being an entity listed in the Annex to the new Executive Order of 3 June 2021 entitled "Addressing the Threat from Securities Investments that Finance Certain Companies of the People's Republic of China" (known as the Non-SDN Chinese Military-Industrial Complex Companies List), which amends the Executive Order 13959 of 12 November 2020 entitled "Addressing the threat from Securities Investments that Finance Chinese Military Companies"; or (vi) them being subject to restrictions imposed on the operation of an online service, Internet application or other information or communication services in the United States directed at preventing a foreign government from accessing the data of US persons; or (c) that is located, organized or a resident in a comprehensively sanctioned country or territory, including Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, the so-called Donetsk's People's Republic, the so-called Luhansk People's Republic or the non-government controlled areas of Zaporizhzhia and Kherson of Ukraine. "**Sanctions**" means any statute, executive order, regulation, decree, judicial decision, or any other legally binding act with respect to the imposition or administration of any economic, financial or trade sanctions or embargoes, export controls or other restrictive measures imposed by a Sanctions Authority. "**Sanctions Authority**" means: (a) the United States government; (b) the United Nations; (c) the European Union (or any of its member states); (d) the United Kingdom; (e) any other equivalent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; and (f) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty's Treasury.

United States

The Notes are being offered and sold outside of the United States to non-U.S. Persons in reliance on Regulation S. The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except in accordance with Regulation S or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Each of the Sole Global Coordinator and the Joint Bookrunners has agreed that, except as permitted by the Subscription Agreement:

(i) it has not offered or sold, and will not offer or sell, any Notes constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S; and

(ii) neither it, nor any of its affiliates nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts (within the meaning of Regulation S) with respect to the Notes.

Except with the prior written consent of the Issuer and where such sale falls within the exemption provided by Rule 20 of the U.S. Risk Retention Rules, the Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any Risk Retention U.S. Persons. Prospective investors should note that the definition of "U.S. Person" in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of "U.S. Person" in Regulation S. Each purchaser of Notes, including beneficial interests therein, will be deemed to have made certain representations and

agreements, including that it (1) is not a Risk Retention U.S. Person (unless it has obtained a prior written consent of the Issuer), (2) is acquiring such Notes or a beneficial interest therein for its own account and not with a view to distribute such Note, and (3) is not acquiring such Notes or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

Singapore

Each of the Sole Global Coordinator and the Joint Bookrunners has acknowledged that this Information Memorandum has not been registered as a prospectus with the MAS. Accordingly, each of the Sole Global Coordinator and the Joint Bookrunners has represented, warranted and agreed that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act) pursuant to Section 274 of the Securities and Futures Act, or (ii) to an accredited investor (as defined in Section 4A of the Securities and Futures Act) pursuant to and in accordance with the conditions specified in Section 275 of the Securities and Futures Act.

Any reference to the "**Securities and Futures Act**" is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the Securities and Futures Act or any provision in the Securities and Futures Act is a reference to that term or provision as modified or amended from time to time, including by such of its subsidiary legislation as may be applicable at the relevant time.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Australia

No prospectus or other disclosure document (as defined in the Australian Corporations Act) in relation to the Notes has been, or will be, lodged with the Australian Securities and Investments Commission (**"ASIC**") or any other regulatory authority in Australia. Each of the Sole Global Coordinator and the Joint Bookrunners has represented and agreed that it:

(a) has not made or invited, and will not make or invite, an offer of the Notes for issue, sale or purchase in, to or from Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, this Information Memorandum or any other offering materials or advertisements relating to the Notes in Australia,

unless:

(i) the aggregate consideration payable by each offeree is at least A$500,000 (or its equivalent in an alternative currency, in either case, disregarding monies lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Australian Corporations Act;

(ii) the offer or invitation does not constitute an offer to a "retail client" for the purposes of sections 761G and 761GA of the Australian Corporations Act;

(iii) such action complies with any applicable laws, regulations and directives (including, without limitation, the licensing requirements set out in Chapter 7 of the Australian Corporations Act); and

(iv) such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

Bahrain

This Information Memorandum has not been or will not be registered with the Central Bank of Bahrain pursuant to the rulebook issued by the Central Bank of Bahrain. Accordingly, this Information Memorandum and any other material or document in connection with the making available, offer or sale, or invitation for subscription or purchase, of the Notes, may not be circulated or distributed, nor may the Notes be made available, offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Bahrain.

Canada

The Notes will not be qualified for sale under the securities laws of any province or territory of Canada. Each of the Sole Global Coordinator and the Joint Bookrunners has represented and agreed that it has not offered, sold or distributed and will not offer, sell or distribute any Notes, directly or indirectly, in Canada or to or for the benefit of any resident of Canada, other than in compliance with an exemption from the prospectus requirements under applicable securities laws and all other applicable securities laws. Each of the Sole Global Coordinator and the Joint Bookrunners has also represented and agreed that it has not and will not distribute or deliver this Information Memorandum, or any other offering material in connection with any offering of Notes in Canada, other than in compliance with applicable securities laws.

People's Republic of China

Each of the Sole Global Coordinator and the Joint Bookrunners has represented and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC, except as permitted by the securities laws of the PRC. This Information Memorandum, the Notes and any material or information contained or incorporated by reference herein relating to the Notes have not been, and will not be, submitted to or approved/verified by or registered with the China Securities Regulatory Commission ("**CSRC**") or other relevant governmental and regulatory authorities in the PRC pursuant to relevant laws and regulations and thus may not be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the Notes in the PRC. Neither this Information Memorandum nor any material or information contained or incorporated by reference herein relating to the Notes constitutes an offer to sell or the solicitation of an offer to buy any securities in the PRC.

The Notes may only be invested by PRC investors that are authorised to engage in investment in the Notes of the type being offered or sold. PRC investors are responsible for informing themselves about and observing all legal and regulatory restrictions, obtaining all relevant government regulatory approvals/licences, verification and/or registrations themselves, including, but not limited to, any which may be required from the People's Bank of China, the State Administration of Foreign Exchange, CSRC, the China Banking and Insurance Regulatory Commission and other relevant regulatory bodies, and complying with all relevant PRC regulations, including, but not limited to, all relevant foreign exchange regulations and/or overseas investment regulations.

European Economic Area

In relation to each Member State of the European Economic Area, each of the Sole Global Coordinator and the Joint Bookrunners has represented and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Information Memorandum to the public in that Member State other than:

(a) to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the Sole Global Coordinator and the relevant Joint Bookrunner nominated by the Issuer for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Notes shall require the Issuer or any of the Sole Global Coordinator and the Joint Bookrunners to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes and the expression "**EU Prospectus Regulation**" means Regulation (EU) No 2017/1129.

Prohibition of Sale to European Economic Area Retail Investors

Each of the Sole Global Coordinator and the Joint Bookrunners has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

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

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

India

No invitation, offer or sale to purchase or subscribe to the Notes is made or intended to be made to the public in India through this Information Memorandum or any amendment or supplement thereto. Neither this Information Memorandum nor any amendment or supplement thereto is a prospectus, offer document or advertisement nor has it been or will be submitted or registered as a prospectus or offer document under any applicable law or regulation in India. Neither this Information Memorandum nor any amendment or supplement thereto has been reviewed, approved or recommended by any Registrar of Companies in India, the Securities and Exchange Board of India, the Reserve Bank of India, any stock exchange in India or any other Indian regulatory authority.

Accordingly, no person may make any invitation, offer or sale of any Notes, nor may this Information Memorandum or any amendment or supplement thereto, or any other document, material, notice or circular in connection with the invitation, offer or sale for subscription or purchase of any Notes ("**Offer**"), be circulated or distributed, whether directly or indirectly, to, or for the account or benefit of, any person resident in India, other than where an exception applies or strictly on a private and confidential basis and so long as any such Offer is not calculated to result, directly or indirectly, in the Notes becoming available for subscription or purchase by persons other than those receiving such offer or invitation. The foregoing proscription is exempted from application in case of (i) an electronic-based offering, subscription and listing of securities in the International Financial Services Centres (the "**IFSC**") set up under section 18 of the Special Economic Zones Act, 2005 (28 of 2005) or (ii) if foreign companies as well as companies incorporated or to be incorporated outside India are offering subscription in Notes within the IFSC. Notwithstanding the foregoing, in no event shall the Offer be made, directly or indirectly, in any circumstances which would constitute an offer to the public in India within the meaning of any applicable law or regulation.

Any Offer of Notes to a person in India shall be made subject to compliance with all applicable Indian laws, including, without limitation, the Foreign Exchange Management Act, 1999, as amended, and any guidelines, rules, regulations, circulars or notifications issued by the Reserve Bank of India, the Securities and Exchange Board of India, the Ministry of Corporate Affairs and any other Indian regulatory authority.

Each investor in the Notes acknowledges, represents and agrees that it is eligible to invest in the Issuer and the Notes under applicable laws and regulations in India and that it is not prohibited or debarred under any law or regulation from acquiring, owning or selling the Notes.

Indonesia

Each of the Sole Global Coordinator and the Joint Bookrunners has represented and agreed that it has not made or invited, and will not make or invite, an offer of the Notes for subscription or purchase, and has not circulated or distributed, and will not circulate and distribute, this Information Memorandum, in a manner that will constitute a public offering or private placement in Indonesia under Law No. 8 of 1995 on Capital Market and its implementing regulations and Indonesia Financial Services Authority (*Otoritas Jasa Keuangan* — OJK) Regulation No. 30 of 2019 on the Issuance of Debt Securities and/or Sukuk by way of Private Placement.

A "public offering" is defined as an offering of securities in Indonesia by an Indonesian or foreign issuer where the offer is made: (i) using the mass media, (ii) to more than 100 Indonesian parties (including Indonesian citizens/entities in Indonesia or offshore, or foreign nationals domiciled in Indonesia) or (iii) to fewer than 100 Indonesian parties but results in sales to more than 50 Indonesian parties (including Indonesian citizens in Indonesia or offshore, or foreign nationals domiciled in Indonesia). On the other hand, "private placement" is any offering of securities in Indonesia by an Indonesian or foreign issuer which does not fall under the definition of "public offering".

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**"). Accordingly, each of the Sole Global Coordinator and the Joint Bookrunners represents and agrees that it is not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other applicable laws and regulations of Japan.

Malaysia

Each of the Sole Global Coordinator and the Joint Bookrunners has:

(a) acknowledged that:

(i) the approval, registration, authorisation or recognition (including the lodgement under the Lodge and Launch Framework) from the Securities Commission of Malaysia ("**SC**") and/or the Central Bank of Malaysia under the Capital Markets and Services Act 2007 ("**CMSA**") and/or the Financial Services Act 2013 ("**FSA**") respectively, as the case may be and as may be amended from time to time, has/have not and will not be obtained for the issue (including issue of an invitation), offer or making available of the subscription, sale or purchase of the Notes on the basis that the Notes will be issued and offered exclusively to persons outside Malaysia; and

(ii) this Information Memorandum has not and will not be registered as a prospectus, information memorandum or other offering material or document with the SC under the CMSA. Accordingly, the Notes may not be made available, issued, offered for subscription, sale or purchase and no invitation to subscribe for or purchase the Notes may be made, directly or indirectly, to persons in Malaysia and this Information Memorandum may not be issued, circulated or distributed directly or indirectly to any person in Malaysia; and

(b) represented and agreed that, save for being permitted under the laws of Malaysia and that it has complied with and will comply with the regulatory requirements under the CMSA, the FSA and all other applicable laws of Malaysia (as the case may be), it has not and will not circulate or distribute this Information Memorandum and has not made, and will not make, any offers, invitations, promotions, marketing or solicitations for subscription, purchase or sales of, or for, as the case may be, any Notes directly or indirectly to any person in Malaysia.

New Zealand

This Information Memorandum and the information contained in or accompanying this Information Memorandum:

(a) are not, and are under no circumstances to be construed as, an offer of Notes to any person who requires disclosure under Part 3 of the Financial Markets Conduct Act 2013 (New Zealand) (the "**FMCA**"); and

(b) are not a product disclosure statement under the FMCA and do not contain all the information that a product disclosure statement is required to contain under New Zealand law.

This Information Memorandum and the information contained in or accompanying this Information Memorandum, or any other product disclosure statement, prospectus or similar offering or disclosure, have not been registered, filed with or reviewed or approved by any New Zealand regulatory authority or under or in accordance with the FMCA.

The Notes referred to in this Information Memorandum are not being allotted with a view to being offered for sale in New Zealand.

Any offer or sale of any Notes described in this Information Memorandum and the information contained in or accompanying this Information Memorandum in New Zealand will be made only in accordance with the FMCA:

(a) to a person who is an "investment business" as defined in the FMCA; or

(b) to a person who is "large" as defined in the FMCA; or

(c) to a person who is a "government agency" as defined in the FMCA; or

(d) in other circumstances where there is no contravention of the FMCA (or any statutory modification or re-enactment of, or statutory substitution for, the FMCA).

In subscribing for Notes, each investor represents and agrees that it meets the criteria set out in sub-paragraphs (a) to (d) inclusive of the preceding paragraph and that:

(a) it has not offered or sold, and will not offer or sell, directly or indirectly, any Notes; and

(b) it has not distributed and will not distribute, directly or indirectly, any Information Memorandum and the information contained in or accompanying this Information Memorandum or offering materials or advertisements in relation to any offer of Notes,

other than to persons who meet the criteria set out in sub-paragraphs (a) to (d) inclusive of the preceding paragraph or in other circumstances where no disclosure under Part 3 of the FMCA is required and there is no contravention of the FMCA and its regulations (or any statutory modification or re-enactment of, or statutory substitution for, the FMCA or its regulations).

Philippines

THE NOTES BEING OFFERED OR SOLD HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OF THE PHILIPPINES UNDER THE SECURITIES REGULATION CODE OF THE PHILIPPINES (THE "SRC"). ANY FUTURE OFFER OR SALE OF THE NOTES WITHIN THE PHILIPPINES IS SUBJECT TO THE REGISTRATION REQUIREMENTS UNDER THE SRC UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.

To the extent that there is or will be an offer or sale of the Notes in the Philippines, such offer or sale of the Notes is or will be made to persons who are "qualified buyers" pursuant to Section 10.1(l) of the SRC and the 2015 Implementing Rules and Regulations of the SRC ("**SRC Rules**"), and, hence, is exempt from registration.

Each of the Sole Global Coordinator and the Joint Bookrunners has represented, warranted and agreed that it has not and will not sell or offer for sale or distribution, or that it has not caused or will not cause to be sold or offered for sale or distribution, any Notes in the Philippines except to "qualified buyers" pursuant to Section 10.1(1) of the SRC, and Rule 10.1.3 and Rule 10.1.11 of the SRC Rules.

The Issuer has not obtained any confirmation of exemption from the Philippine SEC in respect of any offer or sale of the Notes within the Philippines. Unless such confirmation of exemption in respect of any offer or sale of the Notes is issued by the Philippine SEC, any person claiming exemption under Section 10 of the SRC has the burden of proof, if challenged, of showing that it is entitled to the exemption. The Philippine SEC may challenge such exemption at any time.

No securities sold under exempt transactions shall be offered for sale or sold to the public without prior registration. Notwithstanding that a particular class of securities issued under the SRC is exempt from registration, the conduct by any person in the Philippines in the purchase, sale, distribution, settlement and other activities involving such securities must comply with the provisions of the SRC, the SRC Rules and other applicable laws.

Kingdom of Saudi Arabia

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of the Notes. Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires any Notes pursuant to an offering should note that the offer of Notes is a private placement under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority, and as amended from to time (the "**KSA Regulations**"), made through a capital market institution licensed to carry out arranging activities by the Capital Market Authority and following a notification to the Capital Market Authority in accordance with the KSA Regulations.

The Notes may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to such offerees as are permitted under the KSA Regulations. Each of the Sole Global Coordinator and the Joint Bookrunners has represented and agreed that any offer of Notes by it to a Saudi Investor will be made in compliance with the requirements of the KSA Regulations.

Each offer of Notes shall not therefore constitute a "public offer", an "exempt offer" or a "parallel market offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under the KSA Regulations. Any Saudi Investor who has acquired Notes pursuant to a private placement in accordance with the KSA Regulations may not offer or sell those Notes to any person unless the offer or sale is made through a capital market institution appropriately licensed by the Capital Market Authority and the other requirements in relation to secondary market activity under the KSA Regulations have been satisfied.

South Korea

The Notes have not been and will not be registered with the Financial Services Commission of South Korea for public offering in South Korea under the Financial Investment Services and Capital Markets Act and its subordinate decrees and regulations (collectively, the "**FSCMA**"). The Notes may not be offered, remarketed, sold or delivered, directly or indirectly, or offered, remarketed or sold to any person for reoffering or resale, directly or indirectly, in South Korea or to any resident of South Korea (as defined in the Foreign Exchange Transactions Law of South Korea and its subordinate decrees and regulations (collectively, the "**FETL**")) within one year of the issuance of the Notes, except as otherwise permitted under applicable South Korean laws and regulations, including the FSCMA and the FETL.

Taiwan

The Notes may be made available only (i) outside Taiwan to Taiwan resident investors for purchase by such investors outside of Taiwan, (ii) to investors in Taiwan through licensed Taiwan financial institutions to the extent permitted under relevant Taiwan laws and regulations, (iii) to the offshore banking units of Taiwan banks purchasing the securities for their proprietary account or in trust for their non-Taiwan trust clients, (iv) to the offshore securities units of Taiwan securities firms purchasing the securities for their proprietary account, in trust for their non-Taiwan trust clients or as agent for their non-Taiwan brokerage clients or (v) to the offshore insurance units of Taiwan insurance companies purchasing the Notes in connection with the issuance of investment-linked insurance policies to non-Taiwan policy holders, but are not permitted to otherwise be offered or sold in Taiwan.

Thailand

The Notes have not been and will not be approved by, and this Information Memorandum has not been filed with or approved by, the Securities and Exchange Commission of Thailand. Each of the Sole Global Coordinator and the Joint Bookrunners has represented, warranted and agreed that it has not offered or sold and will not offer or sell in Thailand, whether directly or indirectly, any Notes, not made and will not make, whether directly or indirectly, any advertisement, invitation or document relating to the Notes in

Thailand, and not circulated or distributed, nor will it circulate or distribute, this Information Memorandum in relation to the Notes or any other documents or material in connection with the offering of the Notes, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any persons in Thailand.

United Kingdom

Each of the Sole Global Coordinator and the Joint Bookrunners has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Prohibition of Sale to UK Retail Investors

Each of the Sole Global Coordinator and the Joint Bookrunners has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the United Kingdom. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or

(b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

TRANSFER RESTRICTIONS

Because of the following restrictions, potential investors are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Notes.

The Notes have not been registered under the Securities Act or any state securities or "Blue Sky" laws or the securities laws of any other jurisdiction and, accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described herein and set forth in the Trust Deed.

Notes

Each purchaser of Notes will be deemed to have represented and agreed as follows:

(1) In connection with the purchase of the Notes: (a) none of the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, the Collateral Manager or the Transaction Administrator is acting as a fiduciary (other than the Trustee) or financial adviser for the purchaser; (b) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, the Collateral Manager or the Transaction Administrator other than in this Information Memorandum for such Notes and any representations expressly set forth in a written agreement with such party; (c) none of the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, the Collateral Manager or the Transaction Administrator has given to the purchaser (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Notes; (d) the purchaser has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Trust Deed) based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Trustee, the Collateral Manager or the Transaction Administrator; (e) the purchaser has evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Notes with a full understanding of all of the risks thereof (economic and otherwise), and it is capable of assuming and willing to assume (financially and otherwise) those risks; and (f) the purchaser is a sophisticated investor.

(2) The purchaser will provide the Issuer or its agents with any correct, complete and accurate information and documentation that may be required for the Issuer to comply with FATCA and CRS and to prevent the imposition of US federal withholding tax under FATCA on payments to or for the benefit of the Issuer. In the event the purchaser fails to provide such information or documentation, or to the extent that its ownership of Notes would otherwise cause the Issuer to be subject to any tax under FATCA, (A) the Issuer or its agents are authorised to withhold amounts otherwise distributable to the purchaser as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel the purchaser to sell its Notes and, if such purchaser does not sell its Notes within 30 days after notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any taxes incurred by the Issuer in connection with such sale) to such person as payment in full for such Notes. The Issuer may also assign each such Note a separate ISIN in the Issuer's sole discretion. Each purchaser agrees that

the Issuer, the Trustee or their agents or representatives may (1) provide any information and documentation concerning its investment in its Notes to the Inland Revenue Department of Hong Kong, the US Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA and CRS.

(3) No purchaser of Subordinated Notes will treat any income with respect to its Subordinated Notes as derived in connection with the Issuer's active conduct of a banking, financing, insurance or other similar business for purposes of Section 954(h)(2) of the Code.

(4) The purchaser is purchasing the Notes for its own account or for an account with respect to which it exercises sole investment discretion, the purchaser and such account is located outside the United States and the purchaser is not a U.S. Person.

(5) The purchaser understands that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons.

(6) The purchaser agrees, for the benefit of the Issuer, the Sole Global Coordinator, the Joint Bookrunners, and any of their Affiliates, that the Notes have not been and will not be registered under the Securities Act and such Notes are being offered only in a transaction that does not require registration under the Securities Act and, if such purchaser decides to resell or otherwise transfer such Notes, then it agrees that it will offer, resell, pledge or transfer such Notes only: (i) to a purchaser who is not a U.S. Person (as defined in Regulation S) or an Affiliate of the Issuer or a person acting on behalf of such an Affiliate, and who is not acquiring the Notes for the account or benefit of a U.S. Person (as defined in Regulation S) and who is acquiring the Notes in an offshore transaction pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S; (ii) pursuant to an effective registration statement under the Securities Act; or (iii) pursuant to another exemption from the registration requirements of the Securities Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States; provided, that the agreement of such purchaser is subject to any requirement of law that the disposition of the purchaser's property shall at all times be and remain within its control.

(7) The purchasers will, and each subsequent holder is required to, notify any purchaser of the Notes from them of the above resale restrictions.

(8) The purchaser is: (a) not a Risk Retention U.S. Person (unless it has obtained a prior written consent of the Issuer); (b) acquiring such Notes or a beneficial interest therein for its own account and not with a view to distribute such Notes; and (c) not acquiring such Notes or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

(9) The purchaser acknowledges that the Issuer, the Sole Global Coordinator, the Joint Bookrunners, the Collateral Manager, the Trustee or the Transaction Administrator and their agents and Affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

(10) The purchaser understands that (i) the sale of the Notes (including interests therein represented by a Global Certificate, a Definitive Certificate or a Book-Entry Interest) to it is being made in reliance on Regulation S; and (ii) the Notes (including interests therein represented by a Global Certificate, a Definitive Certificate or a Book-Entry Interest) may not be reoffered, resold, pledged or otherwise transferred except in accordance with the legend set forth below:

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE ISSUER AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY RULE 20 OF THE U.S. RISK RETENTION RULES, THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES. PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY.

TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHOULD BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED REFERRED TO HEREIN.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE REGISTRAR.

EACH PERSON OR ENTITY ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL CARRY A RIGHT TO VOTE IN RESPECT OF, AND BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A CM REMOVAL RESOLUTION OR A CM REPLACEMENT RESOLUTION.

GENERAL INFORMATION

Clearing Systems

The Class A1-SU Notes, the Class A1 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Subordinated Notes have been accepted for clearance through Euroclear and Clearstream.

The Common Code and the International Securities Identification Number ("**ISIN**") for the Notes of each Class are:

Class	ISIN	Common Code
Class A1-SU Notes	XS2887859291	288785929
Class A1 Notes	XS2887859374	288785937
Class B Notes	XS2887859457	288785945
Class C Notes	XS2887859531	288785953
Class D Notes	XS2887859614	288785961
Subordinated Notes	XS2887859705	288785970

Listing

Application will be made to the SEHK for the listing of, and permission to deal in the Class A1-SU Notes, the Class A1 Notes, the Class B Notes, the Class C Notes and the Class D Notes.

The Subordinated Notes will not be listed on any securities exchange.

Consents and Authorisations

Save for those to be obtained, or as required or contemplated after the date of this Information Memorandum, the Issuer has obtained all necessary consents, approvals and authorisations in Hong Kong (if any) in connection with the issue and performance of the Notes.

No Significant or Material Change

Since the date of the Issuer's incorporation, there has been no material adverse change or any development reasonably likely to involve any material adverse change, in the condition (financial or otherwise) of the Issuer.

No Litigation

The Issuer is not, and has not been, involved in any legal or arbitration proceedings and no such proceedings are currently pending or contemplated which may have or have had, since the date of the Issuer's incorporation, an adverse effect on the financial position or profitability of the Issuer.

Accounts

Since the date of its incorporation, other than acquiring certain Infra Loan Obligations, the authorisation of the Issuer's entering into, and its execution of, the Warehouse Documents and the activities and transactions contemplated thereunder, the authorisation of the Issuer's entering into, and its execution of, the Deed of Termination and Release, the authorisation and issue of the Notes, and activities incidental to the exercise of its rights and compliance with its obligations under the Sponsor Collateral Acquisition Agreements, the Notes, the Subscription Agreement, the Agency and Account Bank Agreement, the Trust Deed, the Collateral Management and Administration Agreement, the Corporate Services Agreement and the other documents and agreements entered into in connection with the issue of the Notes and/or the purchase of the Portfolio, the Issuer has not commenced operations and has not produced accounts.

The first financial statements of the Issuer will be in respect of the period from incorporation to 31 December 2024. The annual accounts of the Issuer will be audited. The Issuer will not prepare interim financial statements.

The Trust Deed requires the Issuer to provide written confirmation to the Trustee on an annual basis and otherwise promptly within 14 days of any request that, to the best of the knowledge and belief of the Issuer, there did not exist and had not existed any Note Event of Default or any Potential Note Event of Default (as defined in the Trust Deed) and that the Issuer has complied with all its obligations contained in the Trust Deed and the other Transaction Documents.

Documents Available

Copies of the documents listed at (b) and (c) below may be inspected in electronic format at the specified offices of the Principal Paying Agent and the Registrar during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) during the term of the Notes and all other documents shall be available for inspection at the specified offices of the Principal Paying Agent only:

(a) the Information Memorandum;

(b) the Articles of Association of the Issuer;

(c) the Trust Deed (which includes the form of each Note of each Class);

(d) the Hong Kong Security Deed;

(e) the Agency and Account Bank Agreement;

(f) the Collateral Management and Administration Agreement;

(g) the Corporate Services Agreement;

(h) the Closing Sponsor Loans Agreement;

(i) the Risk Retention Letter;

(j) each Quarterly Report; and

(k) each Payment Date Report.

Post Issuance Reporting

The Issuer will provide post-issuance transaction information in relation to the issue of the Notes.

Enforceability of Judgments

The Issuer is a public company limited by shares incorporated under the laws of Hong Kong. None of the Directors and officers of the Issuer are residents of the United States, and all of the assets of the Issuer and such persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon civil liability provisions of the securities laws of the United States or any State or territory within the United States.

Foreign Language

The language of this Information Memorandum is English. Certain legislative references and technical terms have been cited in their original language in order that the correct meaning may be ascribed to them under applicable law.

ANNEX A — SGS FRAMEWORK

The following documentation is annexed for information only, is not incorporated into and does not form part of this Information Memorandum.

香港按揭證券有限公司
The Hong Kong Mortgage Corporation Limited

The Social, Green and Sustainability Financing Framework

September 2022

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Introduction

About the HKMC

The Hong Kong Mortgage Corporation Limited ("**HKMC**" or the "**Group**"), incorporated since March 1997, is wholly owned by the Government of the Hong Kong Special Administrative Region of the People's Republic of China (the "**HKSAR Government**") through the Exchange Fund. The Group has three wholly-owned principal operating subsidiaries: HKMC Insurance Limited ("**HKMCI**"), HKMC Annuity Limited ("**HKMCA**") and HKMC Mortgage Management Limited ("**HMML**").

The Group is committed to its core missions of promoting stability of the banking sector, wider home ownership, development of the local debt market and development of retirement planning market in Hong Kong, through the following main business activities:

- **Promote stability of the banking sector**: purchases residential mortgage assets.
- **Support home ownership in Hong Kong**: operates the Mortgage Insurance Programme.
- **Support small and medium enterprises ("SMEs") in Hong Kong**: operates a platform for the HKSAR Government to provide financial guarantee cover to banks in respect of loans advanced to local non-listed enterprises, including small and medium enterprises.
- **Promote development of the retirement planning market**: offers retirement products, namely the Reverse Mortgage Programme ("**RMP**"), the Policy Reverse Mortgage Programme ("**PRMP**") and the HKMC Annuity Plan, to provide retirees with immediate, stable and lifelong streams of income.
- **Consolidate Hong Kong as infrastructure financing hub and fill the infrastructure financing market gaps**: purchases and co-finances infrastructure loans, and at right market conditions, securitises these loan assets to further its mandates of promoting development of local debt market and stability of the banking sector and facilitating infrastructure investment and financing flows, benefiting financial and professional service sectors.
- **Promote development of Hong Kong debt market**: continues to play its key role and keep regular presence in the local debt market development.

Group ESG Governance

In 2021, the Group established the Environmental, Social and Governance ("**ESG**") Committee ("**ESG Committee**") to lead its sustainability efforts, oversee the implementation of its ESG strategies, monitor and manage the associated risks. The ESG Committee is responsible for reviewing, approving and updating the Group's ESG strategies, policies and plans, monitoring ESG trends and issues that are material to the Group and overseeing the implementation of the Group's ESG strategy.

The ESG Committee is chaired by the Chief Executive Officer of the HKMC; members include the CEOs of the HKMCA and the HKMCI, and senior representatives of relevant departments of the Group.

Since 2021, the Group has adopted its ESG Statement and ESG Guiding Principles, detailed as follows, which serve to guide the HKMC's approach to incorporating ESG factors in its corporate strategy and operations.

ESG Statement

The Group is committed to operating and carrying on business in a responsible and sustainable manner while applying high standards of corporate governance. This commitment is embedded in the way it operates, serves its customers, accounts to its stakeholders, cares for its staff, manages its impact on the environment and contributes to its community.

ESG Guiding Principles[1]

Areas	Guiding Principles
Contributing to the Society	▪ Offer financing solutions that support home ownership, facilitate retirement financial planning, and help to meet the financing needs of small and medium-sized enterprises in Hong Kong ▪ Provide products and services that facilitate banks' liquidity and risk management to promote stability of the banking sector in Hong Kong ▪ Support the financial and debt markets in Hong Kong, and talent developments as well as financial education, in areas pertinent to our core missions
Upholding Governance Standards, Operational Resilience and Workplace Inclusion	▪ Adhere to best practices of corporate governance and maintain high standards of professionalism, integrity and ethics in our work ▪ Safeguard operational resilience and information security by continuous risk surveillance, system set-up and proper response ▪ Promote inclusion and equality in the workplace, and foster staff wellness and development
Meeting Environmental Concerns	▪ Devise strategic response to and implement plans to meet the risks and ride on opportunities relating to climate change and Hong Kong's long-term sustainability vision ▪ Adopt and integrate ESG principles in our investment, lending and business decision-making activities ▪ Strive for positive environmental impact with our operations and promote eco-friendly work practices and culture

Sustainability Objectives and Initiatives

The HKMC achieves social objectives via the implementation of its core missions and the delivery of socially responsible products and services. During the COVID-19 pandemic, for example, the Group has continued providing support to local communities in Hong Kong through various guarantee programmes and initiatives such as the SME Financing Guarantee Scheme ("**SFGS**") and the 100% Personal Loan Guarantee Scheme ("**PLGS**").

[1] The ESG Guiding Principles were updated and approved by the ESG Committee on 13 October 2022.

Continuing Support for SMEs through the SFGS

To help tide the SMEs and non-listed enterprises over financing difficulties as a result of a possible credit crunch in midst of the uncertain global economic environment, the HKSAR Government continues its support for SME bank financing with the 80% and 90% guarantee products of the SFGS under the entrusted operation of the HKMCI.

The Group maintains close communication with participating lenders, SME associations as well as commerce and industry chambers to help address the evolving needs of SMEs in financial difficulties.

As a further step to ease the cash flow problems of enterprises adversely affected by the COVID-19 pandemic, the HKSAR Government launched the Special 100% Loan Guarantee ("**100% SFGS**") under the SFGS in April 2020, which aims to alleviate the financial burden of paying employee wages and rents by the enterprises which are suffering from reduced income and to help minimise shut-downs and layoffs. The HKMCI is the scheme administrator and the Group purchases loans originated under the 100% SFGS which is fully guaranteed by the HKSAR Government.

As of the end of 2021, the HKMCI had approved more than 21,300, 5,500 and 47,000 applications for loans amounting to HK$92.5 billion, HK$10.6 billion and HK$81.6 billion since the launch of the 80%, 90% and 100% guarantee products respectively, benefitting more than 45,000 local SMEs and 640,000 related employees.

Supporting Unemployed Individuals During the COVID-19 pandemic

Since the COVID-19 pandemic, the Hong Kong economy has been facing tremendous pressure. To alleviate the impact of rising unemployment, the Financial Secretary announced in the 2021-2022 Budget the PLGS to provide concessionary low-interest loans, as a supplementary financing option, for unemployed individuals, subject to eligibility criteria. The HKMCI is a scheme administrator and the Group purchases loans originated under the PLGS. The HKSAR Government provides funding to the Group for the purchase of loans.

Supporting Home Ownership

With the promotion of wider home ownership as one of its core missions, the HKMCI operates a Mortgage Insurance Programme ("**MIP**") which is an integral part of the local property mortgage market. The MIP helps potential homebuyers who have limited resources for substantial down payment for the purchase of a property. From its inception in 1999 up to end of 2021, the MIP had assisted more than 192,000 families to buy their homes and continued to observe a drastic surge in demand for the applications of MIP. In addition, the HKMC has introduced the Fixed Rate Mortgage Scheme ("**FRMS**") for fixed-rate mortgages for 10, 15 and 20 years. The FRMS aims to provide an alternative financing option to homebuyers for mitigating their risks arising from interest rate volatility, thereby enhancing banking stability in the long run.

Filling the Infrastructure Financing Market Gaps

In anticipation of the demand for infrastructure financing in the market, the HKMC saw an opportunity to further promote banking stability and local debt market development in Hong Kong, and at the same time help consolidate Hong Kong's position as an infrastructure financing hub, by establishing the Infrastructure Financing and Securitisation ("**IFS**") Division in 2019 to participate in the infrastructure financing market. The HKMC purchases and accumulates infrastructure loans from commercial banks, as well as co-finances infrastructure projects with multilateral development banks and commercial banks. It will, under the right market conditions, securitise these loan assets to further its mandate of promoting the local debt market development in Hong Kong.

Promote and Enable Retirement Planning in Hong Kong

In the summer of 2021, the HKMC launched "HKMC Retire 3" branding to promote its retirement products – the RMP, the PRMP and HKMC Annuity Plan – as an all-inclusive solution for retirement planning. The three products provide retirees with immediate, stable and lifelong streams of income, a rarity in the market.

Retirees would be secured from a stream of steady cash flow on retirement, using relatively illiquid assets as collateral, including properties in the case of the RMP and death benefits of life insurance policies in the case of the PRMP, or a contribution of a single premium in the case of HKMC Annuity Plan.

Climate Commitments

As a public sector entity, the HKMC supports the HKSAR Government's carbon neutrality commitments and Hong Kong's Climate Action Plan 2050.

The Group believes that by integrating ESG considerations, including climate-related factors, in its investment, lending and business decision-making, it can help create sustainable value over the long-term and contribute to the development of a more sustainable world and reduce its ESG-related risks.

The Group has adopted its Responsible Investment, Lending and Business Decision-making Principles in 2021, which sets out the framework for ESG integration. Through ESG integration, the Group identifies and evaluates ESG factors in its decision-making processes which include standard risk assessment and thematic investment, lending and business activities. For instance, the Group's infrastructure loan projects and portfolios are subject to initial and regular ongoing environmental and social due diligence and monitoring to ensure that the related ESG risks are appropriately managed.

HKMC Social, Green and Sustainability Financing Framework

As a public sector entity and one of the major debt issuers in Hong Kong, the HKMC launched this Social, Green and Sustainability Financing Framework ("**Framework**") as an extended effort for the HKMC to expand and implement its sustainability strategy as an integral part of its business strategy.

This Framework focuses on the HKMC's sustainable initiatives and how the Group supports and is aligned with the Hong Kong's long-term sustainability visions.

HKMC will use this Framework as the basis to structure and issue green, social and/or sustainability bond(s) and asset-backed securities via public issuance and private placement (referred as "**Sustainable Financing Instruments**"), to support the growth of assets or projects with environmental and/or social benefits.

The Sustainable Financing Instruments issued under this Framework will be structured in alignment with the Social Bond Principles (2021)[2] ("**SBP**"), Green Bond Principles (2021)[3] ("**GBP**"), and the Sustainability Bond Guidelines (2021)[4] ("**SBG**") released by the International Capital Market Association ("**ICMA Principles**") in June 2022.

In particular, sustainable securitisations issued under this Framework will be aligned with the elaboration on "Secured Social / Green Bond" in Appendix 1 (June 2022) of the SBP and GBP.

HKMC structured this Framework following the four components of the ICMA Principles:

- Use of Proceeds;
- Process for Project Evaluation and Selection;
- Management of Proceeds; and
- Reporting.

1. Use of Proceeds

Under this Framework, the HKMC can launch Sustainable Financing Instruments in the following formats:

- Social: proceeds are exclusively allocated to Eligible Social Asset Category(ies);
- Green: proceeds are exclusively allocated to Eligible Green Asset Category(ies); and
- Sustainability: proceeds are allocated to a mix of Eligible Green Asset Category(ies) and Eligible Social Asset Category(ies).

An amount equivalent to the net proceeds of any of the HKMC's Sustainable Financing Instruments will be used to finance and/or refinance, in whole or in part, new and/or existing projects, programmes, schemes, plans, products, loans, expenditures and investments falling within one or more of the Eligible Green Asset Categories or Eligible Social Asset Categories as defined below (collectively, the "**Eligible Assets**").

For each sustainable securitisation, the Group or the issuer of asset-backed securities will adopt one of the following approaches and will clearly specify the approach adopted in the marketing materials and transaction documentation for each issuance:

[2] https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/social-bond-principles-sbp/
[3] https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/
[4] https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-bond-guidelines-sbg/

- Secured Sustainable Collateral Bond: a secured bond where the net proceeds will be exclusively applied to finance or refinance the green and/or social project(s) securing the specific bond only.
- Secured Sustainable Standard Bond: a secured bond where the net proceeds will be exclusively applied to finance or refinance the green and/or social project(s) of the issuer, originator or sponsor, where such projects may or may not be securing the specific bond, in whole or in part. A Secured Sustainable Standard Bond may be a specific class or tranche of a larger transaction.

According to the composition of the collateral asset pool or committed use of proceeds, the respective securitisation (or a specific class or tranche thereof) will bear a "Green", "Social" or "Sustainability" label.

Eligible Social Asset Categories	Eligibility Criteria	Main Social Objectives & UN Sustainable Development Goals Alignment [5]
Social Alleviation: SME	Loans under the Special 100% Loan Guarantee of the SME Financing Guarantee Scheme for qualified SMEs[6], which aim to support local businesses affected by the COVID-19 pandemic.	Support Local Businesses and Unemployment Alleviation 
Access to Essential Services	Loans or bonds in infrastructures, projects, corporate, entities, or facilities which provide essential services, such as: (i) expansion of access or provision of subsidised affordable basic healthcare services to the general public[7]; (ii) schools or other education centres that expand access to education and/or for targeted minority[8] inclusion; and (iii) emergency medical response and disease control services[9].	Access to Essential Services 

[5] Mainly referencing ICMA's "Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals".

[6] As defined by Trade and Industry Department of the HKSAR Government: a small and medium-sized enterprise is any manufacturing business which employs fewer than 100 persons in Hong Kong, or any non-manufacturing business which employs fewer than 50 persons in Hong Kong.

[7] Affordability of relevant projects will be ensured by one of the following criteria: (1) via subsidies; or (2) where universal healthcare scheme or public insurance is accepted; or (3) tariffs are offered at the same rate as public services.

[8] Targeted minority includes people living below the poverty line defined by local government, excluded and/or marginalised populations and/or communities, people with disabilities, migrants and/or displaced persons, underserved with a lack of quality access to essential goods and services, and women and/or sexual and gender minorities.

[9] Same as footnote 6.

Affordable Housing	Financing to support various local affordable housing schemes in Hong Kong to promote wider home ownership amongst low and moderate income groups.	Affordable Housing 
Access to Affordable Basic Infrastructure and Services	Loans or bonds in infrastructure projects, corporate, entities or facilities which provide affordable basic infrastructure and services, such as: (i) electric power transmission and distribution assets for providing power to areas with no access or substantially inadequate access to electricity; (ii) roads, rails or ports that increase access for people in remote areas in developing countries[10] [11]; (iii) water infrastructure such as water pipes, collection and recycling facilities, to provide stable freshwater supply to underserved populations based in areas with no access or substantially inadequate access to safely drinking water; (iv) telecommunication projects to promote digital inclusion in unconnected or underserved[12] communities; and (v) hygiene infrastructure for the public.	Access to Affordable Basic Infrastructure and Services 

[10] Excluding high risk countries or regions according to the IFS Compliance Guidelines (see Appendix II for details) which cover the evaluation of anti-money laundering, counter-terrorist financing and sanctions risks of the countries.

[11] Eligible projects are located in areas with no access or substantially inadequate access to transportation. Areas with substantially inadequate access to transportation are defined as areas that have unpaved, ungraded narrow or non-weather proof (mud road) roads or roads with poor conditions (such as potholes, cracked pavement, collapsing shoulders) rendering its use difficult or impossible. In the case of maritime transportation, areas with poor maritime infrastructure such that the ports project will improve travel time or travel capacity by at least 100%.

[12] Underserved is defined as communities which either: Has access to at least mobile service by one operator with limited broadband capacity. The backhaul or access capacity of the given site does not allow for a quality Internet experience; or access to 2G/3G or limited 4G for mobile networks or copper for fixed networks.

Eligible Green Asset Categories	Eligibility Criteria	Main Environmental Objectives[13] UN Sustainable Development Goals Alignment[4]
Renewable Energy	Loans or bonds to support the construction, acquisition or installation of electricity generation, storage, transmission and distribution systems from renewable energy sources, such as: (i) solar, (ii) wind, (iii) geothermal with direct emission threshold of ≤ 100g CO_2/kWh, (iv) hydropower[14]; (v) green hydrogen made using renewable energy; and (vi) bioenergy[15]. In particular, for transmission and distribution systems, the following applies: (i) if the system carries more than 90% electricity from renewable sources, the full financing or project is considered eligible; (ii) if the system carries less than 90% renewable energy, but is on a decarbonisation trajectory with more than 67% of the newly enabled generation capacity in the system below the generation threshold of 100g CO_2e/kWh over a rolling five-year period, according to the EU Taxonomy, then the full financing is considered eligible; and (iii) if the system carries less than 90% renewables, but the percentage of renewables is expected to increase, a pro-rata approach will be adopted for allocation.	Climate Change Mitigation 

[13] Full mapping please refer to: https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Mapping-SDGs-to-GSS-Bonds_June-2022-280622.pdf

[14] For non run-of-river projects, we will follow the criteria of a life-cycle carbon intensity of lower than 50g CO_2e/kWh or power density greater than 10W/m^2 to select eligible projects in operation after 2019.

[15] Lifecycle greenhouse gas ("GHG") emissions of electricity ≤100g CO_2/kWh; and feedstock could be from waste or non-waste subject to the following:

- Waste feedstock includes forestry residues, biodegradable waste from household, offices, restaurants, or food processing plants, residues from certified sustainable palm oil operations (e.g. Roundtable on Sustainable Biomaterials ("RSB") and Roundtable on Sustainable Palm Oil) such as palm kernel shells and palm oil mill effluents. Municipal wastes refer to waste-to-energy category.
- Non-waste feedstock: only feedstock certified with credible schemes (such as RSB, International Sustainability & Carbon Certification Plus) will be used; also excluding palm oil and peat, and will not be derived from land with high biodiversity that are in competition with food production or deplete carbon pool.

Clean Transportation	Loans or bonds to support the development, construction, acquisition and manufacturing of low-carbon transportation or related infrastructure[16] such as: (i) for passenger transportation, vehicles or rolling stock that are either fully electric or with tailpipe emissions of below 50g CO_2e per passenger kilometre (gCO_2e/pkm) until 2025 (non-eligible thereafter); (ii) for freight transportation, road freight (e.g. lorries and trucks) and freight rail (trains) that are either fully electric or at or below (≤) 25g CO_2/t-km (tonne-kilometre); and (iii) dedicated parts for clean transportation such as rechargeable batteries, fuel cells, or charging station networks.	Climate Change Mitigation and Pollution Prevention and Control 
Pollution Prevention and Control	Loans or bonds to support the development, construction and acquisition of infrastructure intended to achieve pollution prevention and control, such as waste recycling, reuse, treatment and waste-to-energy projects which follow the waste hierarchy (i.e. collection, sorting and recycling before energy recovery)[17].	Pollution Prevention and Control 
Sustainable Water and Wastewater Management	Loans or bonds to support the development, construction and acquisition of sustainable water and wastewater management projects, such as: (i) centralised wastewater treatment or recycling systems substituting untreated discharge or more energy-intensive systems; (ii) water collection and water treatment plant facilities to enhance water recycling and reuse; and (iii) projects to improve water management efficiency by reducing leakage or improving water usage efficiency such as water pressure management systems, pump and pipe systems.	Pollution Prevention and Control 

[16] Include new lines, line extensions, stations, signalling equipment, etc.

[17] For municipal wastes, the majority of recyclables, especially plastics, will be segregated before energy conversion.

Green Buildings - Data Centres	Loans or bonds in infrastructure projects, corporate, entities or facilities in the construction, refurbishment and maintenance of data centres that meet a power usage effectiveness ("PUE") below 1.5, or the upgrade, retrofit or renovation works in or resulting in achievement of such PUE value.	Climate Change Mitigation 
Energy Efficiency	Loans or bonds in infrastructure projects, corporate, entities or facilities in energy efficiency improvement projects, such as: (i) for telecommunication infrastructure projects: modernisation of networks and supporting infrastructure such as replacement of 3G or 4G with 5G, or transformation of legacy networks with more efficient fibre networks; and (ii) other energy efficiency upgrade or improvement projects that result in an energy performance by at least 15% such as installation of LED lightings.	Climate Change Mitigation 

Exclusionary Criteria:

For the avoidance of doubt, in any case, the following assets shall not be eligible for the use of proceeds of the HKMC's Sustainable Financing Instruments:

- Nuclear energy generation related assets and projects
- Fossil fuel dedicated assets and projects
- Weapons, gambling and casinos
- Business activities which are prohibited by laws and regulations in HKSAR
- In addition, projects under the Infrastructure Financing and Securitisation Division will be further subject to IFS Division Environmental and Social Exclusion List (Appendix I)

(the "**Exclusionary Criteria**")

2. Process for Project Evaluation and Selection

HKMC has established an internal working group to lead the process of evaluating and selecting projects under this Framework.

In order to ensure strong governance process and inclusivity of expertise from various functions of the Group, the working group consists of senior representatives from the following:

- Treasury;
- SME Financing Guarantee Scheme Operations;
- Infrastructure Financing and Securitisation;
- Marketing & Business Development; and
- Risk Management.

Frontline staff from business lines of the HKMC will be responsible to identify and select potential assets by using this Framework as the primary selection guideline.

In order to ascertain the eligibility of and funding required for potential assets selected for each potential launch of Sustainable Financing Instrument, the working group will identify potential assets and collate relevant information in respect of the selection of those potential assets for the relevant Sustainable Financing Instrument; such information will be one of the factors for the HKMC to determine the format, category of financing instrument, and issuance size range of the potential issuance.

In addition, as part of the Group's decision-making processes for investment, the Group also takes into account the HKMC Responsible Investment, Lending and Business Decision-making Principles to identify and evaluate ESG factors as a key guideline.

For projects potentially subject to medium or high ESG risks, the HKMC will engage in-house expertise or independent consultant(s) to conduct appropriate reviews, and present relevant risk mitigation measures to the working group for consideration.

As a final step, the potential asset selected will be subject to the approval of the ESG Committee, based on the eligibility criteria defined in this Framework and the analysis on the expected environmental and/or social risks and impact relating to the potential assets.

In addition to following the company-wide process, the IFS Division has a more specific process for evaluating and selecting potential infrastructure loan assets. Please refer to Appendix II.

3. Management of Proceeds

The Financial Control Department shall establish an independent allocation register (the "**Register**") to record and track the allocation of the proceeds from the issuance of Sustainable Financing Instruments to the Eligible Assets.

The net proceeds from the issuance of Sustainable Financing Instruments will be deposited in general funding accounts or designated accounts specified by the respective Sustainable Financing Instruments and managed through a formal internal process to ensure the proceeds of the Sustainable Financing Instruments are allocated to the Eligible Assets.

The HKMC intends to fully allocate the net proceeds into Eligible Assets within two years from issuance of the relevant Sustainable Financing Instruments.

The Register will contain, but not limited to, the following information:

- details of each Sustainable Financing Instrument including the instrument type, pricing date, maturity date, currency, gross and net amount of proceeds, coupon/interest rate, etc.;

- information of the list of allocated Eligible Assets for each instrument including the category, asset description, total costs / outstanding loan amount, allocated amount of proceeds etc. of the relevant Eligible Assets; and

- the balance of any unallocated amount of proceeds.

Any balance of net proceeds pending allocation to the Eligible Assets shall be held in accordance with the HKMC's internal liquidity management policy and managed in accordance with the HKMC's Responsible Investment, Lending and Business Decision-making Principles and the Exclusionary Criteria of this Framework.

Post-allocation, the working group will review the assets allocated at least annually or when necessary to ensure that proceeds are allocated to the relevant Eligible Assets in line with the eligibility criteria throughout the tenor of the respective Sustainable Financing Instrument; and for Sustainable Financing Instruments issued in the form of asset-backed securities, which could be a standalone issue or of a specific class or tranche of a larger transaction, a pool of Eligible Assets is managed at a level no less than the net proceeds of the issuance amount of such Sustainable Financing Instruments as collateral.

Any allocated assets that are no longer eligible under the eligibility criteria will be substituted as soon as reasonably practicable and on a best effort basis by other Eligible Assets.

4. Reporting

For Bonds and Asset-Backed Securities:

The HKMC will report on the allocation of net proceeds of each Sustainable Financing Instrument and, where available, environmental and/or social impact indicators on an annual basis until the proceeds have been fully allocated (the "**Report**"), and update the market if there are any material changes to the respective assets on a timely basis.

The working group will lead the drafting of the Report, which will be reviewed and subject to approval by the ESG Committee. The Report will be published as a standalone annual sustainable financing report and/or as a part of the HKMC's annual report and made available through the HKMC's website.

The Report will consist of the following:

1. **Allocation Reporting**

- A list of all Sustainable Financing Instruments issued in the reporting period and outstanding as at the reporting date;

- By each Sustainable Financing Instrument:
  - Amount and percentage of proceeds allocated under Eligible Green Asset Category and/or Eligible Social Asset Category;
  - Description of selected allocated Eligible Assets;
  - Remaining balance of unallocated proceeds for each Sustainable Financing Instrument outstanding;
  - Estimated percentage of financing and refinancing of Eligible Assets; and

- In particular, for each sustainable securitisation and asset-backed securities:
  - Amount of the pool of Eligible Asset of (sub-) collateral allocated to each sustainable securitisation or asset-backed securities, and its key information such as amount and percentage allocated under the Eligible Green Asset Category and/or Eligible Social Asset Category, number of loans and average tenor (if applicable).

2. Impact Reporting

The HKMC is committed to disclosing information of the positive environmental and/or social benefits of the Eligible Assets.

Subject to the availability of data and feasibility, the Report will include the relevant indicators recommended under the Harmonised Framework for Impact Reporting issued by the International Capital Market Association, and the associated impact calculation methodologies and standards. Set out below is a list of examples of indicators for Eligible Green Asset Category and/or Eligible Social Asset Category:

Eligible Social Asset Categories	Examples of Impact Reporting Indicators
Social Alleviation: SME	• Number and type of beneficiaries / loans provided • Number of jobs supported • Type of sectors supported
Access to Essential Services	• Types of essential services provided • Number and type of beneficiaries • Number of essential services facilities financed
Affordable Housing	• Number of beneficiaries / benefited families • Number of affordable housing financing loans granted
Access to Affordable Basic Infrastructure and Services	• Number and type of beneficiaries • Number of projects built to benefit the targeted population • Increase in electrification rates • Increase in digital penetration rates • % of underserved population having new access to the services as a result of infrastructure financed

Eligible Green Asset Categories	Examples of Impact Reporting Indicators
Renewable Energy	• Installed capacity in MW • Estimated annual GHG emissions avoided (in tCO_2e or in %) • Estimated annual renewable energy production (in MWh)
Clean Transportation	• Tracks built / repaired / improved / modernised (in km) • Number of passengers carried • Estimated annual GHG emissions avoided (in tCO_2e or in %) • Estimated fuel consumption reduced (in %)
Pollution Prevention and Control	• Amount of waste reduced • Amount of annual energy generated from non-recyclable waste in energy/emission-efficient waste to energy facilities
Sustainable Water and Wastewater Management	• Number of water treatment facilities built or upgraded • Volume of water saved / reduced / treated (in m^3 or %) • Volume of wastewater treated / reused / reduced (in m^3 or %)

Green Buildings – Data Centres	• Estimated GHG emissions avoided (in tCO_2e or in %, annually or over project lifetime) • Designed or operational PUE achieved • Proportion of energy use from renewable sources
Energy Efficiency	• Energy savings (in MWh/year or in %, annually or over project lifetime) • Energy efficiency of transferred data • Estimated GHG emissions avoided (in tCO_2e or in %, annually or over project lifetime) • Designed or operational PUE achieved

Note: The impact reporting may be based on data sources from external consultants, information and statistics published by government and multilateral agencies and/or estimates by experts.

For Private Placements:

Subject to the terms of the underlying agreements in respect of the Eligible Assets or the Sustainable Financing Instruments, the HKMC will disclose aggregate information on the allocation of proceeds, and provide relevant information on the environmental and/or social impacts of Eligible Assets similar to the approach for bonds and asset-backed securities outlined above.

Subject to the agreement and preference of the lenders and investors, the HKMC may disclose the relevant information in the annual report or in a standalone annual sustainable financing report and made available through the HKMC's website.

External Review

The HKMC has engaged the Sustainalytics to provide a Second Party Opinion report on this Framework and confirm its alignment with the GBP, SBP and SBG. The Second Party Opinion will be available on the HKMC's website.

Appendix I – IFS Division Environmental and Social Exclusion List

The HKMC will not knowingly finance nor invest in the activities below:

- Production or activities involving forced labour[18] or harmful or exploitative forms of child labour[19];
- Production of or trade in any product or any activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:
  - ❖ Pharmaceuticals;[20]
  - ❖ Polychlorinated Biphenyls ("**PCBs**"), pesticides/herbicides and other hazardous chemicals;[21]
  - ❖ Ozone depleting substances;[22]
  - ❖ Wildlife or products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora ("**CITES**");[23] and
  - ❖ Transboundary movements of hazardous wastes or other wastes in violation of the Basel Convention;[24]
- Activities prohibited by host country legislation or international conventions relating to the protection of biodiversity resources or cultural heritages;[25]
- Production of or trade in or use of radioactive materials;[26]

[18] Forced labour means all work or service not voluntarily performed, that is, extracted from an individual under threat of force or penalty.

[19] Child labour means the employment of children whose age is below the host country's statutory minimum age of employment or employment of children in contravention of International Labour Organization Minimum Age Convention, 1973 (No. 138) (www.ilo.org). For the purposes of this list, harmful or exploitative forms of child labour means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or harmful to the child's health, or has a negative impact on the child's physical, mental, spiritual, moral, or social development.

[20] Information of pharmaceutical products subject to phase-outs or bans is available at www.who.int.

[21] A list of PCBs, pesticides/herbicides or other hazardous chemicals subject to phase-outs or bans is stipulated in the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade (www.pic.int), the United Nations Consolidated List of Products whose Consumption and/or Sale have been Banned, Withdrawn, Severely Restricted or Not Approved by Governments, and/or the Stockholm Convention on Persistent Organic Pollutants (www.pops.int).

[22] A list of ozone depletion substances, together with target reduction and phase-out dates, is stipulated under The Montreal Protocol on Substances that Deplete the Ozone Layer.

[23] A list of concerned species is available at www.cites.org.

[24] Information of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal is available at www.basel.int.

[25] Relevant treaties in force and applicable to HKSAR include: Convention on the Conservation of Migratory Species of Wild Animals (www.cms.int); Convention on Wetlands of International Importance especially as Waterfowl Habitat (www.ramsar.org); Convention on Biological Diversity and Cartagena Protocol on Biosafety (www.cbd.int); International Convention for the Regulation of Whaling (www.iwc.int); Plant Protection Agreement for the Asia and Pacific Region (www.fao.org); and Convention Concerning the Protection of the World Cultural and Natural Heritage (whc.unesco.org/en/convention).

[26] This does not apply to the purchase of medical equipment, quality control (measurement) equipment, and any equipment for which IFS considers the radioactive source to be trivial and adequately shielded.

- Production of or trade in or use of asbestos containing products;[27]
- Activities that directly affect primary tropical moist forests or old-growth forests or critical habitats, where significant degradation or conversion is involved;[28]
- Shipment of oil or other hazardous substances in tankers which do not comply with the requirements stipulated by the International Maritime Organization;[29]
- Nuclear projects where the host country has not ratified the relevant convention and treaty30 or the operations are inconsistent with the International Atomic Energy Agency (IAEA) Safety Standards;[31]
- Large dams inconsistent with the World Commission on Dams framework;[32]
- Mining of or trade in rough diamonds unless it is Kimberley Process certified;[33]
- Production of or trade in or distribution of tobacco products violating the Framework Convention on Tobacco Control by the World Health Organization;
- Production of or trade in weapons and munitions, including paramilitary materials;
- Stand-alone gambling establishments or casinos or equivalent premises;
- Coal fired power generation;[34] and
- Coal mining, processing and transport.

[27] Unless expressly permitted by the host country's laws and regulations.

[28] Critical habitat includes areas with high conservation value that meet the criteria of the International Union for Conservation of Nature (IUCN), including habitat required for the survival of critically endangered or endangered species as defined by the IUCN Red List of Threatened Species (www.iucnredlist.org) or as defined in the host country's laws and regulations.

[29] This includes: tankers which do not have all required International Convention for the Prevention of Pollution from Ships (MARPOL) and International Convention for the Safety of Life at Sea (SOLAS) certificates (including, without limitation, International Safety Management (ISM) Code compliance), tankers blacklisted by the European Union or banned by the Paris Memorandum of Understanding on Port State Control and tankers due for phase out under MARPOL regulation 13G.

[30] For example the Convention on Nuclear Safety (www-ns.iaea.org/conventions/nuclear-safety.asp) and the Treaty on the Non-Proliferation of Nuclear Weapons (www.un.org/disarmament/wmd/nuclear/npt/).

[31] Further information on the IAEA Safety Standards is available at www-ns.iaea.org/standards/.

[32] The International Commission on Large Dams (www.icold-cigb.net) defined a large dam is a dam with a height of 15 metres or greater from lowest foundation to crest or a dam between 5 metres and 15 metres impounding more than 3 million cubic metres.

[33] Information regarding Kimberley Process is available at www.kimberleyprocess.com.

[34] Except for the financing led by the multilateral agencies to support the early termination of coal-fired power generation.

Appendix II – Project Evaluation and Selection Process of the Infrastructure Financing and Securitisation Division

In anticipation of the demand for infrastructure financing in the market, the HKMC saw an opportunity to further promote banking stability and local debt market development in Hong Kong, and at the same time help consolidate Hong Kong's position as an infrastructure financing hub, by establishing the Infrastructure Financing and Securitisation ("**IFS**") Division in 2019 to participate in the infrastructure financing market in 2019.

The HKMC purchases and accumulates infrastructure loans from commercial banks, as well as co-finances infrastructure projects with multilateral development banks and commercial banks.

The IFS Division comprises the Investment, Risk Management and Loan Administration Teams. The Investment Team is responsible for deal origination and execution. The Risk Management Team is a risk control unit that is responsible for the credit assessment, day-to-day monitoring, reporting and risk management of the investments. The Loan Administration Team is responsible for the day-to-day loan administration processes.

After a deal is originated by the Investment Team, it has to go through a deal evaluation process, which involves a review of preliminary information received from the sellers, issuers or borrowers, followed by a more in-depth due diligence review. All investments are subject to the approval of the Infrastructure Financing and Securitisation Investment Committee ("**IFSIC**"), a governing forum that includes the following members:

- Executive Director
- Chief Executive Officer
- Chief Investment Officer (IFS Division)
- Senior Vice Presidents representing Operations, Finance (including Treasury) and Risk divisions
- General Counsel representing Legal Office and Compliance Function

Assessment of the ESG related risks is covered by the IFS Risk Management Guidelines ("**IFS RMG**") which comprises, among others, the Environmental and Social ("**E&S**") Guidelines and the Compliance Guidelines that outline the detailed risk management requirements and processes. The IFS Division also follows the company-wide policies in controlling the use of proceeds. In addition, where possible, the IFS Division will work with stakeholders to continuously seek improvement in IFS practices.

The objectives of the E&S Guidelines are to:

- promote environmentally and socially responsible infrastructure financing;
- ensure that the E&S risks management processes are aligned with industry practices and those adopted by the key market players;
- guide how the IFS Division conducts its E&S due diligence for the business activities under consideration, as well as to provide a structured approach to monitor and record borrowers' performances; and
- ensure that the HKMC effectively understands, assesses, and manages E&S risks associated with the IFS transactions.

The E&S Guidelines comprises the IFS Division Environmental and Social Exclusion List, an E&S Categorisation Checklist and Sector Guidelines, which may be subsequently updated to align with the evolving market standards and regulatory requirements.

The IFS Division Environmental and Social Exclusion List is attached in Appendix I of the Framework and the updated version, if any, will be available on the HKMC's website.

The E&S Guidelines reflects international and local Hong Kong E&S standards, including among others, the Equator Principles adopted by project finance banks to assess and manage E&S risks in the projects. The IFS Division is dedicated to adopt the Equator Principles in our projects to the extent practicable. For projects that are co-financed with: (i) other financial institutions that adopt the Equator Principles; (ii) Multilateral Development Banks; and/or (iii) Export Credit Agencies, whose standards are customarily recognised as consistent with the Equator Principles, the IFS Division may align with the E&S standards as agreed with other lenders in the projects.

In addition to the E&S Guidelines, the IFS Division adheres to the Compliance Guidelines to identify, assess and manage the governance risks associated with the borrowers and the projects. In adopting the Compliance Guidelines, the IFS Division seeks to (i) ensure that due diligence has been conducted to consider and identify governance risks and impacts related to the projects; (ii) formulate approaches to manage and mitigate the potential governance risks; (iii) work with borrowers to continuously seek improvement on managing the governance risks, to the extent practicable; and (iv) monitor the implementation of the project and identify any potential changes to the governance related risks and impacts post-commitment.

As for the selection of the potential assets, the IFS Division is responsible for nominating the eligible infrastructure loan assets for the Sustainable Financing Instruments.

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