WHITE PAPER: ADVANCED SOLUTIONS IN ALTERNATIVE STRUCTURED PROJECT FINANCE

This information is intended for internal use only, is not a solicitation, and may not be shared or distributed externally. Please ensure it is appropriately marked as confidential.

Through our managed solution, we offer a structured, non-repayable financing possibility, that enables clients to implement and secure projects with significant capital requirements in a flexible, efficient, and timely manner. This financing can also be used to assist with the repayment of issued bonds. The foundation of this solution is securities trading in bonds (MTNs).

By depositing capital in the client's custodial account, significant project funds can be generated, depending on the amount maintained in the account over a one-year period. The amount of proceeds generated through the structured finance arrangement will be determined on an individual basis and formalized in a binding investment agreement.

Key data and example parameters:

With **client capital of €150 million held in his custodial account**, the client will receive a project-related **cash inflow of €200 million within 40 days in advance**, covering the 12-month term.

With **client capital of €500 million held in the custodial account**, the client will receive a project-related **cash inflow of €750 million within 40 days in advance**, covering a 12-month term.

The internal calculation of the cash inflow is carried out as follows:

For client custodial account balances between €150 million (exclusive) and €499 million (inclusive), a proceeds factor of 1.3 will be applied. For client capital of €500 million or more, a proceeds factor of 1.5 will be applied to the distributed structured non-recourse project finance.

Depending on the project's cash flow requirements, the client has the option to partially reinvest the distributed funds received within the 40-day period under the same terms. This option can be discussed in greater detail once a financial investment agreement has been executed with Resourceful Solutions PTE LTD.

Client capital:
The client's capital always remains in the client's exclusive custodial account – for example at HSBC, Barclays or another renowned Western prime bank. The funds on hold are not exposed to any risk at any time and remain fully secure for the client.

Purpose of the custodial account:
The customer participates in the results of leveraged securities trading based on MTNs, without incurring risk or compromising their liquidity. This unique solution provides access to our specialized structure for achieving large-scale, structured finance result distribution—an opportunity that is typically not available to the general public. (see appendix to the MTN trading of Barclays and HSBC)

Without our solution:
If the customer chooses to buy and sell MTNs directly, without our arrangements, the full purchase amount must be paid upfront. Repayment typically occurs only at the end of the respective MTN term—for example, after 5, 10, or more years. In this scenario, the potential returns are in line with standard market rates and are subject to the usual market risks.

RESOURCEFUL SOLUTION PTE LTD, 138 ROBINSON RD, #24-01 OXLEY TOWER, SINGAPORE 068906, UEN: 202441149R

IN COMPARISON, OUR APPROACH OFFERS SIGNIFICANT ADVANTAGES:

- An immediate inflow of funds for the project will be made possible
- An early advance distribution of profits is made early within 40 days
- By bundling and settling a large number of transactions, a significantly higher leverage effect is also achieved.

DURATION AND PROCEDURE:

- The client's capital must be held and confirmed in the ward-safe account for a period of one year
- Distribution is made in advance after approx. 40 banking days, depending on bank confirmation

SECURITY & RISKS:

- No access to the capital in the custody account
- Capital remains in the possession of the customer, no shifting, no pledging or lending
- Trading is only on a "purchase-after-confirmation-of-the-end-user" basis (no intermediate risk)

RETURN & PAYOUT:

- The upfront distribution of the annual return after 40 days is only possible if the bank does not see any concerns, i.e. the compliance audit result is completely positive.
- Otherwise, the payment will be made at the end of the trading year.
- The expected return is significantly higher than the amount retained in the custody account

COMMUNICATION WITH THE CUSTOMER:

- The entire process can be objectively described as securities trading with bonds (MTN).
- The technical processing and structures are confidential and not intended for disclosure.
- Compliance & Contracting requires a due diligence of the company activity
- The use of this financing concept is only possible after a positive compliance check by the external law firm A&A.

SUMMARY:

The main risk is only the waiting time of about 40 banking days until the first payout. The deposit remains safe and in the property of the customer, there is no access or risk. The distribution of the results depends on the respective bank and its risk assessment.

ATTACHMENT
Example of MTN OFFERS from HSBC and BARCLAYS

BARCLAYS

BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

$50,000,000,000

GLOBAL COLLATERALISED MEDIUM TERM NOTES

supported by a limited recourse undertaking by Barclays CCP Funding LLP

Barclays Bank PLC (the "**Bank**" or the "**Issuer**") may from time to time issue notes under this $50,000,000,000 Global Collateralised Medium Term Note Series (the "**Global Collateralised Medium Term Note Series**") in separate Classes (such notes, the "**Global Collateralised Medium Term Notes**" or "**Notes**") and will utilise the proceeds to make advances to Barclays CCP Funding LLP (the "**LLP**") under the Intercompany Loan Agreement. The LLP will utilise the proceeds of each such advance to enter into transactions under one or more repurchase agreements (each, a "**Repurchase Agreement**") with the Issuer, Barclays Capital Securities Limited ("**BCSL**"), Barclays Capital Inc. ("**BCI**") and such other sellers as may be appointed from time to time, as sellers thereunder (each, a "**Seller**"), pursuant to which the LLP will purchase various Eligible Securities (as defined herein) from the applicable Seller, subject to such Seller's obligation to repurchase such Eligible Securities on the Repurchase Date (as defined herein) for the related Class (as defined herein). **The Global Collateralised Medium Term Notes represent direct, unsubordinated and unsecured obligations of the Issuer and will rank equally among themselves and, with the exception of certain obligations given priority by applicable law, will rank *pari passu* with all other present and future outstanding unsecured and unsubordinated obligations of the Issuer.**

The Global Collateralised Medium Term Notes are supported by the LLP Undertakings, and neither the Global Collateralised Medium Term Notes nor the LLP Undertakings represent interests in or obligations of the Issue and Paying Agent, the Collateral Administrator, the Applicable Enforcing Party, any Custodian, any Securities Intermediary, any Account Bank, the Restricted Collateral Disposition Administrator or any of the other parties to the transactions described herein or any of their respective affiliates. **The obligations of the LLP under the LLP Undertakings constitute direct, unsubordinated and secured limited recourse obligations of the LLP.**

This Base Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**") on 18 October 2024 as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (as amended, the "**Prospectus Regulation**"). This Base Prospectus is valid for 12 months from its date. In case of a significant new factor, material mistake or material inaccuracy relating to the information included in this Base Prospectus that may affect the assessment of a Global Collateralised Medium Term Note and that arises or is noted between the date of this Base Prospectus and the closing of the offer period or the time when trading on a regulated market begins for such Global Collateralised Medium Term Note, whichever occurs later, such shall be mentioned in a supplement to this Base Prospectus without undue delay in accordance with Article 23(1) of the Prospectus Regulation. In accordance with Article 21(8) of the Prospectus Regulation, the obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Base Prospectus is no longer valid. The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of the Issuer or the quality of the Notes that are the subject of this Base Prospectus and investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive No. 2014/65/EU (as amended, "**EU MiFID II**") and/or which are to be offered to the public in any Member State of the European Economic Area ("**Member State**") in circumstances that require the publication of a prospectus in accordance with Article 1(4) and/or Article 3(2) of the Prospectus Regulation. The Issuer has requested the Central Bank to provide a certificate of approval in accordance with Article 25 of the Prospectus Regulation (a "**passport**") in relation to the passporting of the Base Prospectus to the competent authorities of the Grand Duchy of Luxembourg.

Application will be made to Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for Classes of Global Collateralised Medium Term Notes within 12 months of this Base Prospectus to be admitted to the official list (the "**Official List**") and trading on its regulated market (the "**Regulated Market**"). Application may also be made to the Luxembourg Stock Exchange for the Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market upon their issuance. The Regulated Market and the Luxembourg Stock Exchange's regulated market are regulated markets for the purposes of EU MiFID II.

Neither the Issuer nor any Dealer intends to make a market in any Class of Global Collateralised Medium Term Notes.

The Global Collateralised Medium Term Note Series has been issued long term ratings of AA- and short term ratings of A-1+ by S&P Global Ratings UK Limited ("**S&P**"), long term ratings of A1 and short term ratings of P-1 by Moody's Investors Service Limited. ("**Moody's**") and long term ratings of A+ and short term ratings of F1 by Fitch Ratings Limited ("**Fitch**"). Please see page 93 of this Base Prospectus with respect to registration and/or endorsement in the United Kingdom and/or the European Union of S&P, Moody's and Fitch.

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 assigning rating agency.

Prospective investors should carefully read the risk factors described under the section headed "Risk Factors" herein.

Barclays

18 October 2024

OFFERING CIRCULAR

THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED

(registered and incorporated in Hong Kong: Business Registration Number 00173611)

as Issuer and, in respect of Notes issued by any New Issuer (as defined herein), as Guarantor

U.S.$20,000,000,000
Medium Term Note Programme

Application has been made to The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") for listing of the U.S.$20,000,000,000 Medium Term Note Programme (the "**Programme**") under which Notes may be issued by way of debt issues to "**Professional Investors**" (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) ("**Professional Investors**") only during the 12-month period after the date of this Offering Circular on the Hong Kong Stock Exchange. This Offering Circular is for distribution to Professional Investors only.

Notice to Hong Kong investors: The Bank (as defined below) and any New Issuer (as defined below) confirm that the Notes (as defined below) are intended for purchase by Professional Investors only and the Programme and the Notes (to the extent that such Notes are to be listed on the Hong Kong Stock Exchange) will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Bank and any New Issuer confirm that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

The Hong Kong Stock Exchange 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 Programme or the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes, the Bank or any New Issuer, or the Bank Group (as defined below), or quality of disclosure in this document. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange 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.

Investors should be aware that the Notes that may be issued under the Programme could be issued with no specified maturity date, in which case the Issuer is not expected to be under any obligation to redeem such Notes at any time. In addition, payments in respect of certain Notes issued under the Programme may be determined by reference to one or more Reference Asset(s) (such as an index, formula, securities, currency exchange rates, interest rates, or other factors), and such Notes may not pay interest and on redemption may return less than the amount invested or nothing, depending on the performance of the relevant Reference Asset(s). In certain circumstances, certain adjustments may also be made to an index or indices to which some Notes are linked, which may result in a loss to the Noteholders. Investors should also be aware that the Notes may be issued in tokenised and/or digital form and may be created, issued, settled, transferred, and maintained on digital platforms which may or may not utilise the distributed ledger technology. There are various other risks relating to the Notes, the Bank or any New Issuer and the Bank Group, their business and their jurisdictions of operations which investors should familiarise themselves with before making an investment in the Notes. See the section headed "*Investment Considerations*" beginning on page 7.

This Offering Circular replaces the offering circular dated 15 March 2024.

Programme Arranger and Dealer

The Hongkong and Shanghai Banking Corporation Limited

17 March 2025