

## Bank of China (New Zealand) Limited Indicative Terms Sheet dated 8 May 2023

Floating Rate Notes due 15 May 2026

*This is not a complete description of the Notes to be issued. There is no assurance the Notes will be issued. Investors should read and consider the Product Disclosure Statement (including the supplements to it) and Note Deed Poll referred to below before making any investment decision.*

<b>Issuer</b>	Bank of China (New Zealand) Limited		
<b>Arranger</b>	Westpac Banking Corporation (ABN 33 007 457 141) (acting through its New Zealand branch) ( <b>Westpac</b> )		
<b>Joint Lead Managers</b>	Bank of New Zealand and Westpac		
<b>Instrument</b>	Floating Rate Notes (the <i>Notes</i> )		
<b>Status</b>	The Notes will be direct, unsecured and unconditional obligations of the Issuer ranking equally among themselves and at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer except for liabilities mandatorily preferred by law		
<b>Guarantee</b>	The Notes will have the benefit of the Deed of Guarantee by Bank of China Limited, Auckland Branch in respect of the obligations of the Issuer dated 22 October 2021		
<b>Programme</b>	Bank of China (New Zealand) Limited retail Medium Term Note Programme dated 13 October 2022 as supplemented on 3 April 2023 (the <i>Programme</i> ). Terms and Conditions as per the Note Deed Poll dated 22 August 2017 as amended and restated on 22 October 2021		
<b>Credit Ratings</b>		<b>Issuer Credit Rating</b>	<b>Expected Issue Credit Rating</b>
	S&P Global	A (Stable)	A
	Moody's	A1 (Stable)	A1
	A rating is not a recommendation by any rating organisation to buy, sell or hold Notes. The above credit ratings are current as at the date of this Terms Sheet and may be subject to suspension, revision or withdrawal at any time by the assigning rating organisation		
<b>Amount</b>	Minimum NZ\$100,000,000		
<b>Opening Date</b>	8 May 2023		
<b>Closing Date</b>	9 May 2023		
<b>Issue Date</b>	15 May 2023		
<b>Maturity Date</b>	15 May 2026		
<b>Indicative Issue Margin</b>	1.15-1.25% p.a.		
<b>Interest Rate</b>	The Interest Rate will be the sum of the Base Rate for the applicable Interest Period plus the Issue Margin		
<b>Base Rate</b>	The 3 month FRA settlement rate (rounded, if necessary to the nearest 4 decimal places, with 0.00005 being rounded up) as displayed on the first day of the Interest Period on the Reuters page BKBM (or its successor page)		
<b>Issue Price</b>	100.00%		

<b>Interest Period</b>	The three-month period that begins with (and includes) the Issue Date and ends on (but excludes) the first Interest Payment Date, and each successive three-month period that begins with (and includes) the previous Interest Payment Date and ends on (but excludes) the following Interest Payment Date. The last Interest Period will end on (but exclude) the Maturity Date
<b>Interest Payments</b>	Quarterly in arrear
<b>Interest Payment Dates</b>	15 February, 15 May, 15 August and 15 November each year up to and including the Maturity Date
<b>Business Day Convention</b>	Modified Following Business Day, adjusted
<b>Day Count Convention</b>	Act/365 (Fixed)
<b>ISIN</b>	NZBOCDT004C6
<b>Settlement Price Formula</b>	RBNZ Pricing Formula
<b>Record Date</b>	10 calendar days before the Interest Payment Date or, if not a business day, the immediately preceding business day
<b>Business Days</b>	Auckland, Wellington
<b>Denominations</b>	Minimum denomination of NZ\$5,000 with multiples of NZ\$1,000 thereafter
<b>Registrar and Paying Agent</b>	Computershare Investor Services Limited The Notes will be accepted for settlement within the NZClear system
<b>Repo Eligibility</b>	The Issuer intends to apply to the RBNZ for the Notes to be accepted as eligible securities for RBNZ Domestic Operations
<b>Offer Documentation</b>	This Terms Sheet Final Terms dated 9 May 2023 Product Disclosure Statement dated 13 October 2022, as supplemented on 3 April 2023 Note Deed Poll dated 22 August 2017 as amended and restated on 22 October 2021 Deed of Guarantee by Bank of China Limited, Auckland Branch in respect of the obligations of the Issuer dated 22 October 2021 Registry and Paying Agency Agreement dated 22 August 2017
<b>Taxation</b>	Issuer to pay approved issuer levy ( <i>AIL</i> ) on its own account where such payment removes the liability to deduct New Zealand non-resident withholding tax, provided the Issuer is lawfully able to make such payment of AIL (and unless otherwise directed by the relevant holder in writing). AIL payable by the Issuer will not be deducted from the relevant interest payment. Payments in respect of Notes will otherwise be subject to deduction of any New Zealand resident or non-resident withholding tax as may be applicable (unless in the case of resident withholding tax, the relevant holder produces to the Issuer or Registrar acceptable evidence of resident withholding tax exempt status on or before the record date for the relevant payment). The Issuer may call the Notes for redemption (tax call) in the event it is required to pay additional AIL amounts as a result of changes to relevant New Zealand laws, regulations or rulings
<b>No Listing</b>	The Notes are not listed on any exchange
<b>Governing Law</b>	New Zealand
<b>Selling Restrictions</b>	
<b>General</b> Notes may only be offered for sale or sold or delivered in New Zealand and in the other jurisdictions set out below in conformity with all applicable laws and regulations in those jurisdictions, and the selling restrictions set out in the Product	

Disclosure Statement, the Final Terms and this Terms Sheet relating to those jurisdictions.

No action has been or will be taken by the Issuer which would permit an offer of Notes, or possession or distribution of any offering material, in any country or jurisdiction where action for that purpose is required (other than New Zealand).

No action has been taken or is proposed to be taken by the Issuer to register the Notes under the laws of any jurisdiction (except New Zealand) for which such registration is required or otherwise to enable the Notes to be offered to the public or under a regulated offer.

No person may purchase, offer, sell, distribute or deliver Notes, or have in their possession, publish, deliver or distribute to any person, any offering material or any documents in connection with the Notes, in New Zealand and the jurisdictions set out below other than in compliance with all applicable laws and regulations and the selling restrictions set out in this Terms Sheet, the Product Disclosure Statement and the Final Terms relating to those jurisdictions.

Any person applying for Notes is deemed to represent that they have received, read and understood the Product Disclosure Statement and that they are not in a jurisdiction which prohibits the making of an offer of this kind and are not acting for a person in such a jurisdiction.

By subscribing for or otherwise acquiring Notes, you agree to indemnify the Issuer, the Joint Lead Managers, the Registrar and their respective directors, officers, employees and agents (each an **Indemnified Person**) for any loss suffered by an Indemnified Person as a result of any breach by you of the selling restrictions set out in this Terms Sheet, the Product Disclosure Statement and the Final Terms.

### **United States**

The Notes and the Guarantee have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the *Securities Act*) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes and the Guarantee will not be offered or sold (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, within the United States or to or for the account or benefit of U.S. persons. The terms in this paragraph have the meanings given to them by Regulation S.

The Notes and the Guarantee are being offered and sold outside of the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of Notes and the Guarantee, any offer or sale of Notes and the Guarantee within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

### **United Kingdom**

#### *Prohibition of Sales to UK Retail Investors*

The Notes have not been offered, sold or otherwise made available, and will not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression *retail investor* means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (*EUWA*); or
  - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (*FSMA*) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an *offer* includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

No communication, invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (*FSMA*)) has been or may be made or caused to be made or will be made 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.

All applicable provisions of the FSMA with respect to anything done in relation to the Notes in, from or otherwise involving the United Kingdom must be complied with.

### **Prohibition of Sales to EEA Retail Investors**

The Notes have not been offered, sold or otherwise made available and will not be offered, sold or otherwise made available to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression *retail investor* means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, *MiFID II*); or
  - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the *Insurance Distribution Directive*), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in Regulation (EU) 2019/1129 (as amended, the *Prospectus Regulation*); and
- (b) the expression an *offer* includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

### **Australia**

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (*Corporations Act*)) in relation to the Notes has been, or will be, lodged with, or registered by, the Australian Securities and Investments Commission (*ASIC*) or any other regulatory authority in Australia. No person may:

- (a) make or invite (directly or indirectly) 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); or
- (b) distribute or publish any Final Terms, terms sheet, information memorandum, prospectus or any other offering material or advertisement relating to the Notes in Australia,

unless:

- a) the aggregate consideration payable by each offeree or invitee (including any person who receives an offer or invitation or offering materials in Australia) is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act;
- b) such action complies with all applicable laws and regulations in Australia (including without limitation, the licencing requirements set out in Chapter 7 of the Corporations Act);
- c) such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia; and
- d) the offer or invitation does not constitute an offer to a "retail client" within the meaning of section 761G of the Corporations Act.

For the purposes of this selling restriction, the Notes include interests or rights in the Notes that are held in the Austraclear System or any other clearing system.

### **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 *Financial Instruments and Exchange Act*). Accordingly, the Notes have not been and will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein is defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended) or to others for re-offering 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 Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

## Singapore

This Terms Sheet has not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore.

Accordingly, this Terms Sheet and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes have not been and will not be circulated or distributed, nor have the Notes been or will the Notes be offered or sold, or made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than:

- (a) to an institutional investor (as defined under Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the SFA) pursuant to Section 274 of the SFA;
- (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

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

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

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired any Notes pursuant to an offer made under Section 275 of the SFA except:

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

*Singapore SFA Product Classification* - In connection with Section 309B of the SFA 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). **Hong Kong**

The Notes (except for Notes which are a *structured product* as defined in the Securities and Futures Ordinance (Cap. 571) of the Hong Kong Special Administrative Region of the People's Republic of China (*Hong Kong*) (the *SFO*)) have not been and will not be offered or sold in Hong Kong, by means of any document, other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the *C(WUMP)O*) or which do not constitute an offer to the public within the meaning of the *C(WUMP)O*.

No advertisement, invitation or document relating to the Notes has been or will be issued or be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, 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 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 SFO and any rules made under the SFO.

## Switzerland

The Notes must not be offered, sold or marketed in or into Switzerland except in compliance with all applicable laws and regulations in force in Switzerland, and any person offering, selling or marketing the Notes in or into Switzerland must, to the extent necessary, obtain any consent, approval or permission required, for the offer, sale or marketing by it of the Notes under the laws and regulations in force in Switzerland.

This Terms Sheet is not intended to constitute an offer or solicitation to purchase or invest in the Notes described herein. The Notes may not be publicly offered, sold or marketed, directly or indirectly, in or into Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") except under the following exemptions under the FinSA:

- (i) to any investor that qualifies as a professional client within the meaning of the FinSA;
- (ii) in any other circumstances falling within Article 36 of the FinSA;

provided, in each case, that no such offer of Notes referred to in (i) and (ii) above shall require the publication of a prospectus for offers of Notes and/or the publication of a key information document ("**KID**") (or an equivalent document) pursuant to the FinSA.

The Notes have not and will not be listed or admitted to trading on any trading venue in Switzerland.

Neither this Terms Sheet nor any other marketing or offering material relating to the Notes or the Issuer constitutes a prospectus or a KID (or an equivalent document) as such terms are understood pursuant to the FinSA, and neither this Terms Sheet nor any other marketing or offering material relating to the Notes or the Issuer may be distributed or otherwise made available in Switzerland in a manner which would require the publication of a prospectus or a KID (or an equivalent document) in Switzerland pursuant to the FinSA.

Neither this Terms Sheet nor any other marketing or offering material relating to the Notes or the Issuer has been or will be filed with, or approved by, any Swiss regulatory authority. In particular, this Terms Sheet has not been and will not be reviewed, or approved by, a Swiss review body pursuant to Article 51 FinSA.

### **Important Information**

This Terms Sheet forms part of the Offer Documentation and should be read in conjunction with, distributed and received in compliance with the statements made in the Offer Documentation. This Terms Sheet is information and is offering material for the purposes of the Selling Restrictions and the Offer Documentation. This Terms Sheet must not be published, delivered, distributed or received except in compliance with all applicable laws and regulations.

The Joint Lead Managers and their respective directors, officers, employees and agents: (a) have not authorised or caused the issue of, or made any statement in, any part of this Terms Sheet; (b) do not make any representation, recommendation or warranty, express or implied regarding the origin, validity, accuracy, adequacy, reasonableness or completeness of, or any errors or omissions in, any information, statement or opinion contained in this Terms Sheet; and (c) to the extent permitted by law, do not accept any responsibility or liability for this Terms Sheet or for any loss arising from this Terms Sheet or its contents or otherwise arising in connection with the offer of Notes.

This Terms Sheet does not constitute financial advice or a recommendation from any Joint Lead Manager or any of their respective directors, officers, employees, agents or advisers to purchase, any Notes. You must make your own independent investigation and assessment of the financial condition and affairs of the Issuer before deciding whether or not to invest in the Notes.