

## CREDIT OPINION

12 December 2022

### Update



#### RATINGS

##### Sinochem Hong Kong (Group) Company Limited

Domicile	Hong Kong
Long Term Rating	A3
Type	LT Issuer Rating - Fgn Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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## Sinochem Hong Kong (Group) Company Limited

### Update to credit analysis

#### Summary

[Sinochem Hong Kong \(Group\) Company Limited](#)'s (Sinochem HK) A3 issuer rating incorporates the company's standalone credit profile and a four-notch uplift, reflecting our expectation of a strong likelihood of support from the [Government of China](#) (A1 stable) through the company's ultimate parent, Sinochem Holdings Corporation Ltd. (Sinochem Holdings).

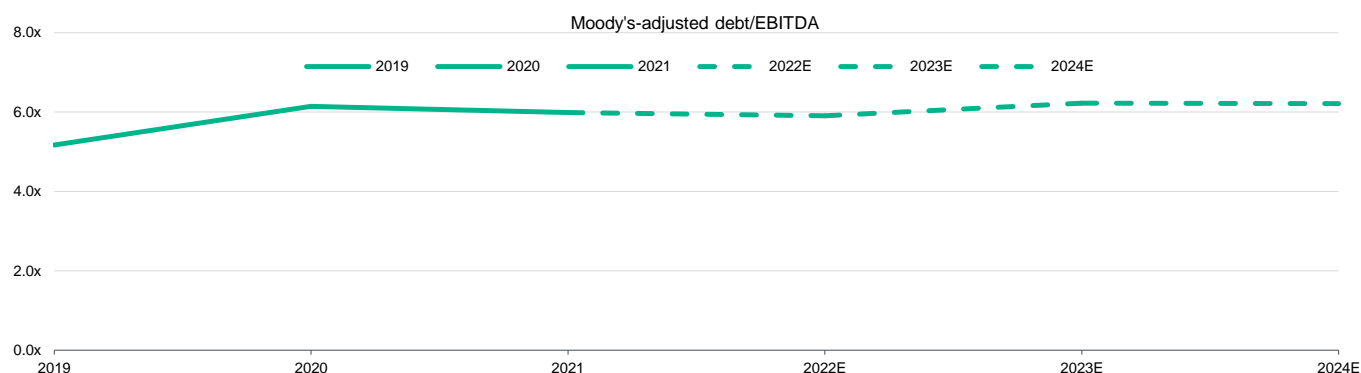
Our support assessment reflects Sinochem HK's status as the overseas treasury center of Sinochem Holdings and Sinochem Holdings' strong capacity to provide support. Sinochem HK plays an import role in raising offshore funding for the group and holds Sinochem Holdings' equity interests in its listed real estate subsidiary, [China Jinmao Holdings Group Limited](#) (China Jinmao, Baa3 stable). We view that Sinochem HK's credit profile is closely linked with that of Sinochem Holdings, and that Sinochem HK will continue to receive support from its ultimate parent.

Sinochem HK's standalone credit profile reflects the low counterparty credit risk of the intercompany lending from Sinochem HK to Sinochem Holdings and subsidiaries according to group treasury's arrangements, and the company's strong position in its property businesses through China Jinmao. At the same time, Sinochem HK's standalone credit profile is constrained by its moderate debt leverage, reflecting the financing needs of its property businesses and the offshore borrowings on behalf of its ultimate parent.

We expect Sinochem HK's adjusted debt/EBITDA after adjustments for the net lending to Sinochem Holdings and fellow subsidiaries will maintain at around 5.9x-6.2x over the next 12-18 months from 6.2x in the 12 months that ended June 2022<sup>1</sup> and 6.0x in 2021, driven by China Jinmao's continuing rapid revenue recognition and controlled debt growth. Such leverage level will be in line with Sinochem HK's standalone credit profile.

Exhibit 1

**Sinochem HK's leverage after adjusting for net lending to its ultimate parent and fellow subsidiaries will maintain at around 5.9x-6.2x in the next 12-18 months from 6.0x in 2021**



Sources: Moody's Financial Metrics™ and Moody's Investors Service

## Credit strengths

- » Strategic importance to and close links with Sinochem Holdings, resulting in strong parental support if needed
- » Low counterparty credit risks in the overseas treasury function for the parent
- » Strong positions in the property businesses

## Credit challenges

- » Moderate financial profile, reflecting the financing of the parent and the property businesses

## Rating outlook

The stable outlook on Sinochem HK's rating reflects our expectations that the company's importance to Sinochem Holdings will remain intact and that its debt leverage will remain stable over the next 12-18 months.

## Factors that could lead to an upgrade

- » Sinochem HK's rating could be upgraded if Sinochem HK and Sinochem Holdings improve their financial profiles on a sustained basis while managing growth prudently, without any significant change in our assessment of support from Sinochem Holdings to Sinochem HK.
- » Credit metrics indicative of an upgrade of Sinochem HK's rating include Moody's-adjusted debt/EBITDA dropping below 5.5x-6.0x for Sinochem Holdings and below 4.0x for Sinochem HK, both on a sustained basis.

## Factors that could lead to a downgrade

- » Sinochem HK's rating could be downgraded if Sinochem Holdings' and Sinochem HK's business or financial profile significantly deteriorate, without any substantial changes in our assessment of support from Sinochem Holdings to Sinochem HK.
- » Credit metrics indicative of downward pressure on Sinochem HK's rating include Moody's-adjusted debt/EBITDA increasing above 7.5x-8.0x for Sinochem Holdings and above 6.0x for Sinochem HK, both on a sustained basis, without any prospect of leverage reduction.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody.com> for the most updated credit rating action information and rating history.

- » In addition, Sinochem HK's rating could be downgraded if we expect a weakening in parental support, including a significant decline in the government's ownership in Sinochem Holdings or the group's ownership in Sinochem HK, or a reduction in the strategic importance of Sinochem HK to Sinochem Holdings.

## Key indicators

Exhibit 2

### Sinochem Hong Kong (Group) Company Limited[1][2][3]

(in USD billion)	12/31/2019	12/31/2020	12/31/2021	LTM June 2022	2022E	2023E	2024E
Revenue	6.3	8.7	14.1	14.1	13.6	13.6	13.6
Gross Margin	41.7%	30.6%	22.8%	23.5%	26.4%	25.6%	25.3%
EBIT / Interest Expense	2.5x	2.1x	2.9x	2.8x	2.6x	2.4x	2.3x
Debt / Book Capitalization	53.4%	52.7%	55.7%	55.8%	54.6%	53.4%	52.4%
Debt/ EBITDA	6.1x	6.6x	7.5x	7.7x	7.3x	7.7x	7.7x
Debt / EBITDA after adjusting net lending to parent and fellow subsidiaries	5.2x	6.1x	6.0x	6.2x	5.9x	6.2x	6.2x

[1] All figures and ratios are calculated using Moody's estimates and standard adjustments.

[2] Periods are financial year-end unless indicated.

[3] Moody's estimation (E) is Moody's opinion and does not represent the views of the issuer.

Source: Moody's Investors Service

## Profile

Sinochem Hong Kong (Group) Company Limited (Sinochem HK) was ultimately 100% owned by Sinochem Holdings as of June 2022. It is the overseas treasury center for Sinochem Holdings and is responsible for the financing in the overseas market for its parent's businesses and activities. The company also holds a 35% equity interest in the listed real estate company China Jinmao, the flagship property company of Sinochem Holdings.

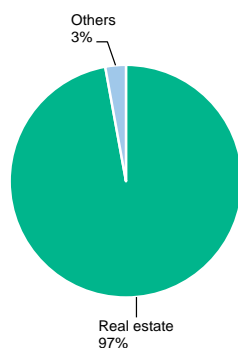
Sinochem HK reported total revenue of HKD110 billion for the 12 months that ended June 2022.

Sinochem HK's parent, Sinochem Holdings, is a state-owned enterprise (SOE) directly owned and supervised by the State-owned Assets Supervision and Administration Commission of the State Council (central SASAC). It was established in May 2021 by the central government to consolidate the two state-owned chemical giants Sinochem Group and [China National Chemical Corporation Limited](#) (ChemChina, Baa2 stable). On 16 September 2021, Sinochem Group and ChemChina completed a share transfer to Sinochem Holdings. Consequently, Sinochem HK became ultimately owned by Sinochem Holdings.

Sinochem Holdings is one of the largest comprehensive chemical enterprises globally in terms of revenue and is the only central SOE in China's chemical industry, with operations spanning more than 150 countries. It has a diversified business portfolio, including life science, material science, basic chemical industry, environmental science, rubber and tires, machinery equipment, urban operation, and industrial finance. The group is also one of the 21 central SOEs that have the SASAC's approval to conduct business in the real estate sector.

Sinochem Holdings reported total assets of around RMB1.5 trillion, revenue of about RMB1.1 trillion and operating profit of about RMB52 billion in 2021.

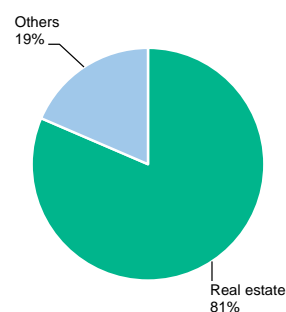
Exhibit 3

**Sinochem HK's revenue breakdown in H1 2022**

Internal elimination is not included.

Source: Sinochem HK's H1 2022 interim financials

Exhibit 4

**Sinochem HK's gross profit breakdown in H1 2022**

Internal elimination is not included.

Source: Sinochem HK's H1 2022 interim financials

**Detailed credit considerations****Strategic importance to and close links with the parent, resulting in strong parental support if needed**

Sinochem HK's A3 rating incorporates a four-notch uplift, reflecting our expectation of a strong likelihood of extraordinary support from the company's parent, Sinochem Holdings, a central SOE. The credit quality of Sinochem HK and Sinochem Holdings is closely linked. Sinochem HK is ultimately 100% owned by and managed as an integral part of Sinochem Holdings.

It is our understanding that all of Sinochem Holdings' domestic borrowings are carried out by Sinochem Corporation Co., Ltd. (Sinochem Corp) and all its overseas borrowings by Sinochem HK. Sinochem HK will remain Sinochem Holdings' sole overseas investment and financing platform.

As the overseas treasury center of Sinochem Holdings, Sinochem HK will remain the only entity that will borrow on behalf of Sinochem Holdings in the overseas market. Through Sinochem Corp, Sinochem Holdings continues to issue its letter of support for Sinochem HK in its borrowings.

Since the consolidation of Sinochem Group and ChemChina, Sinochem HK also borrows on behalf of Sinochem Holdings to help cover ChemChina's offshore funding needs as part of the integration of Sinochem Group and ChemChina.

Sinochem HK holds some important operating assets for its parent. After the disposal of Sinofert Holdings Ltd., the agrochemical company under Sinochem HK, as part of the agrochemical business consolidation of Sinochem Group and ChemChina in January 2020, Sinochem HK continued to hold a 35% equity interest in the listed real estate company China Jinmao, the flagship property company of Sinochem Holdings.

Based on 2021 financials, we estimate Sinochem HK accounted for 8% of Sinochem Holdings' revenue, 25% of the group's operating profit, 27% of its total assets and 20% of total debt.

Exhibit 5

**Sinochem HK's key financials as a percentage of Sinochem Holdings**

	Sinochem HK (HKD million)	Sinochem Holdings (RMB million)	As of Group
Revenue	108,883	1,108,114	8%
Operating profits	15,558	52,215	25%
Reported asset	498,516	1,535,620	27%
Total adjusted debt	191,595	776,316	20%

Sources: Moody's Financial Metrics™ and Moody's Investors Service

Sinochem Holdings has a strong capacity to support Sinochem HK, reflecting Sinochem Holdings' solid standalone credit profile and our expectation of very high support from the Chinese government to Sinochem Holdings, if needed.

Our expectation of very high support from the Chinese government to Sinochem Holdings takes into consideration the company's 100% ownership by the central SASAC; its unique strategic positioning and policy functions in the agriculture, chemical and energy industries among central SOEs; and the financial and policy support from the Chinese government.

Sinochem Holdings plays an important role in safeguarding China's food supply and food security, which has been further emphasized in the 20th National Congress of Chinese Communist Party held in October 2022, and promoting the transformation and the upgradation of the country's agricultural sector.

Sinochem Holdings commands leading positions in China's agriculture input industry, ranking number one in crop protection and crop nutrition, and number two in seeds business in terms of revenue in 2021 by our estimate. The company carries out government policy functions, such as sourcing for China's state reserves in seeds, fertilizers and grains, securing fertilizer imports, and supporting the national grain market prices.

Sinochem Holdings also has important policy functions in the chemical and energy industries in China.

It helps secure the supply of major energy and chemical products for domestic needs. The company is responsible for the national strategic reserves of crude oil, refined oil and natural rubbers. To fulfill such roles, the company has the special rights of crude oil import and natural rubber import quota.

As a leading chemical company in China, Sinochem Holdings has leading marketing positions in a wide range of chemical products that help reduce China's reliance on chemical imports. For example, it has the world's top three production capacities of rubber antioxidant, silicone, methionine, vitamin A, fluorine rubber and polyphenylene ether, and is China's top producer in refrigerant, PVC paste resin, polyether polyols and other products.

Apart from government support, Sinochem Holdings has a solid standalone profile, reflecting its very large business scale, strong market positions and diversified business portfolio. We also expect the management to focus on reducing leverage over the next two to three years.

Sinochem Holdings was formed from the joint restructuring of Sinochem Group and ChemChina in 2021. Upon its establishment, the company became one of the world's largest comprehensive agricultural and chemical companies in terms of revenue in 2021. Its total revenue reached RMB1.1 trillion in 2021.

Sinochem Holdings has strong market positions in many business lines, particularly in agrochemicals, chemicals and energy in China and globally. Its diversified business portfolio with exposure to highly diverse end-user industries mitigates business volatilities.

On the other hand, these credit strengths are offset partially by its still-weak credit metrics because Sinochem Holdings consolidated ChemChina's leveraged balance sheet. Sinochem Holdings' leverage, measured as Moody's-adjusted debt/EBITDA, improved to 7.9x in 2021 from around 9.0x for the 12 months that ended June 2021 based on the estimation of the pro forma financials of Sinochem Group and ChemChina before the merger, driven by higher EBITDA and controlled debt level. We expect Sinochem Holdings' leverage to modestly improve in the next one to two years through earnings expansion, business integration and restructuring, and measured capital and acquisition spending. The successful execution of subsidiaries' IPOs such as Syngenta Group could help further accelerate leverage reduction.

#### **Overseas treasury center for Sinochem Holdings with low counterparty credit risks**

As the overseas treasury center, Sinochem HK performs important offshore funding functions for Sinochem Holdings.

As of year-end 2021, Sinochem HK's reported debt was HKD191 billion, accounting for 20% of Sinochem Holdings' total. Excluding debt at its operating subsidiary China Jinmao, the remaining debt of HKD46 billion at Sinochem HK's holding company level was mainly for Sinochem Holdings group treasury's funding needs, as reflected by the large net intercompany lending between Sinochem HK, Sinochem Holdings and the fellow subsidiaries.

Because of Sinochem Holdings' strong credit profile, Sinochem HK's intercompany lending to its parent and the fellow subsidiaries (around 20% of Sinochem HK's reported debt) has low counterparty credit risks.

### Strong positions in the property markets

Following the disposal of Sinofert Holdings as part of the agrochemical asset injection from Sinochem Group to a newly established platform under ChemChina in 2020, Sinochem HK's business portfolio is dominated by its real estate businesses through China Jinmao, which drive essentially 100% of Sinochem HK's revenue, 95% of EBITDA and 76% of total adjusted debt, based on the 2021 financials.

China Jinmao is a well-known property company in China developing residential and commercial properties in tier-1 and major tier-2 cities in China. The company owns a large portfolio of premium investment properties, including office buildings, retail malls and hotels in good locations. Those premium investment properties helped generate revenue and stable rental income and also further strengthen China Jinmao's access to funding through commercial mortgage-backed securities. In addition, the company has a solid history of acquiring strategically important projects through collaborations with government-related entities.

China Jinmao is also one of the few Chinese developers with significant recurring income from investment properties. This stable cash flow provided a buffer against the volatility associated with its property development business. We expect China Jinmao to largely maintain its credit metrics over the next 12-18 months through proactive debt management, fast revenue recognition and a slowdown of land acquisitions.

### Moderate financial profile

While Sinochem HK's business performance reflects that of its property businesses, its reported debt is driven by the financing needs of both its property businesses and the offshore borrowings on behalf of its parent and fellow subsidiaries.

Upon adjusting the debt by deducting an amount equivalent to the net receivable from its parent and fellow subsidiaries, Sinochem HK's leverage, as measured by Moody's-adjusted debt/EBITDA, remained relatively stable at 6.2x as of the 12 months that ended June 2022 and 6.0x as of year-end 2021 compared with 6.1x as of year-end 2020, mainly driven by the faster revenue recognition of China Jinmao while offset by the higher debt level for intragroup lending to Sinochem Holdings and the fellow subsidiaries.

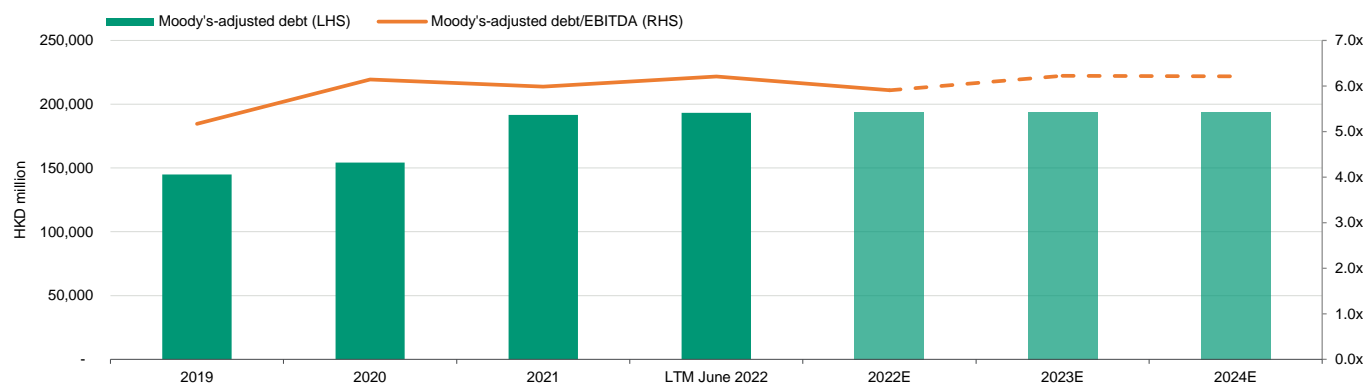
We expect Sinochem HK's leverage to remain largely stable at around 5.9x-6.2x over the next 12-18 months. The relatively stable leverage will be driven by the continuing rapid revenue recognition and moderating land acquisition of China Jinmao, and stable intragroup lending to its parent and fellow subsidiaries. Such a leverage level will be in line with Sinochem HK's standalone credit profile.

Because of the sluggish market sentiment, in H1 2022, China Jinmao recorded primary land contracted sales of RMB2.5 billion, down from RMB22.5 billion in 2021 and RMB10.7 billion in 2020. However, we expect China Jinmao's contracted sales to improve gradually from H2 2022, supported by its quality land banks, mostly in tier-1 and tier-2 cities across key metropolitan areas in China, and solid housing demand in these high-tier cities. We expect China Jinmao's contracted sales to decline to around RMB160 billion in 2022 and RMB155 billion in 2023 from RMB235 billion in 2021.

Nevertheless, we expect China Jinmao's credit profile to be less affected by the recent market condition given its funding flexibility as an SOE and stable recurring income from its high-quality investment properties.

Exhibit 6

Sinochem HK's debt/EBITDA after adjustments for the net lending to its parent and fellow subsidiaries will remain stable in the next 12-18 months



Sources: Moody's Financial Metrics™ and Moody's Investors Service

## ESG considerations

Sinochem Hong Kong (Group) Company Limited's ESG Credit Impact Score is Moderately Negative CIS-3

Exhibit 7

### ESG Credit Impact Score

# CIS-3

## Moderately Negative



For an issuer scored CIS-3 (Moderately Negative), its ESG attributes are overall considered as having a limited impact on the current rating, with greater potential for future negative impact over time. The negative influence of the overall ESG attributes on the rating is more pronounced compared to an issuer scored CIS-2.

Source: Moody's Investors Service

ESG considerations have a moderately negative credit impact (**CIS-3**) on Sinochem HK's rating. Its ESG attributes have a limited impact on the current rating, with greater potential for future negative impact over time. Sinochem HK's credit impact score reflects its moderately negative exposure to environmental and governance risks, and highly negative exposure to social risk. Such ESG risks are mitigated by our expectation that the Chinese government (A1 stable) will provide support to it through its parent, Sinochem Holdings, if in need. Sinochem Hong Kong's rating includes 4-notch parental uplift.

Exhibit 8

### ESG Issuer Profile Scores

ENVIRONMENTAL

# E-3

Moderately Negative



SOCIAL

# S-4

Highly Negative



GOVERNANCE

# G-3

Moderately Negative



Source: Moody's Investors Service

### Environmental

Sinochem HK has moderately negative exposure to environmental risk, reflecting its property business' moderately negative exposure to natural capital and physical climate risks given the need for land development and in specific locations. Such risk exposures are counterbalanced by its broad geographic coverage across the country, its good track record of compliance with environmental regulations, and its undertaking of developing an increasing number of green certified. Sinochem HK also served as the offshore treasury function for Sinochem Holdings, which provides moderate business diversification benefit.

### Social

Sinochem HK has highly negative exposure to social risk, reflecting its property business' highly negative exposure to demographic and societal trends because the government's tight regulatory control influences its property operations and outweighs the benefit of urbanization. The company also has moderately negative exposure to other social risk such as human capital, customer relation and responsible production given the property business' inherent reliance on a large labor force that includes specialized talents and contractors, potential disputes and privacy protection issues with homebuyers. Such risks are partially mitigated by Sinochem HK's track record of maintaining a stable labor force and low fatality and accident rate, and its continuing efforts to safeguard customer data.

### Governance

Sinochem HK has moderately negative exposure to governance risk. This reflects its financial policy that tolerates high leverage, its relatively complex and historically evolving organization structure as well as its board structure that features concentrated ownership. The concentrated large shareholder ownership indicates that influence from its SOE parent could materially change its financial policy and strategy. The risks are counterbalanced by government directives for leverage control in SOE sector and the company's integral subsidiary status as the important offshore funding platform for its parent.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

### Liquidity analysis

Sinochem HK has a weak liquidity profile. Its consolidated cash balance of HKD39 billion as of the end of June 2022 and our projected operating cash flow for the next 12 months are insufficient to cover both its HKD44 billion of short-term debt as of the end of June 2022 and the estimated capital spending.

Nevertheless, the company's SOE status and its close links with Sinochem Holdings provide it with strong access to bank credit. Although most of these banking facilities are uncommitted and short term in nature, Sinochem HK demonstrated a solid history of accessing these funds and rolling over its short-term loans.

Moreover, the company benefits from its proven access to the domestic and international capital markets.

### Methodology and scorecard

Sinochem HK's property business is the main contributor of EBITDA and debt. Therefore, we apply our [Homebuilding and Property Development Industry](#) rating methodology in the rating assessment.

The forward-looking scorecard-indicated outcome for Sinochem HK is Ba2. The one-notch difference between the grid outcome and the company's standalone credit profile reflects its strong access to funding given its status as the key offshore financing platform of the central SOE parent Sinochem Holdings.

Sinochem HK's final A3 issuer rating takes into consideration a four-notch uplift arising from the expected support from the government through its ultimate parent, Sinochem Holdings.



Exhibit 9

## Rating factors

Sinochem Hong Kong (Group) Company Limited

Homebuilding And Property Development Industry [1]	Current 2022 (June-22)		Moody's Forward View [2] Next 12-18 months (as of Dec-22)	
Factor 1: SCALE (10%)	Measure	Score	Measure	Score
a) Revenue (USD Billion)	\$14.1	Baa	\$13.6	Baa
<b>Factor 2: BUSINESS PROFILE (30%)</b>				
a) Market Position and Diversification	Baa	Baa	Baa	Baa
b) Business Strategy	Baa	Baa	Baa	Baa
c) Market Conditions	Baa	Baa	Baa	Baa
<b>Factor 3: PROFITABILITY AND EFFICIENCY (10%)</b>				
a) Gross Margin	23%	B	26%	Ba
<b>Factor 4: LEVERAGE AND COVERAGE (30%)</b>				
a) EBIT / Interest Expense	2.8x	B	2.4x-2.6x	B
b) Debt / Book Capitalization	56%	B	53%-55%	B
c) Debt / EBITDA	7.7x	Caa	7.3x-7.7x	Caa
<b>Factor 5: FINANCIAL POLICY (20%)</b>				
a) Financial Policy	Ba	Ba	Ba	Ba
<b>Rating Outcome:</b>				
a) Scorecard-Indicated Rating		Ba2		Ba2
b) Actual Rating Assigned		A3		A3

[1] All ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.

[2] This represents Moody's forward view, not the view of the issuer, and unless noted in the text, does not incorporate significant acquisitions and divestitures.

Sources: Moody's Financial Metrics™ and Moody's Investors Service

## Ratings

Exhibit 10

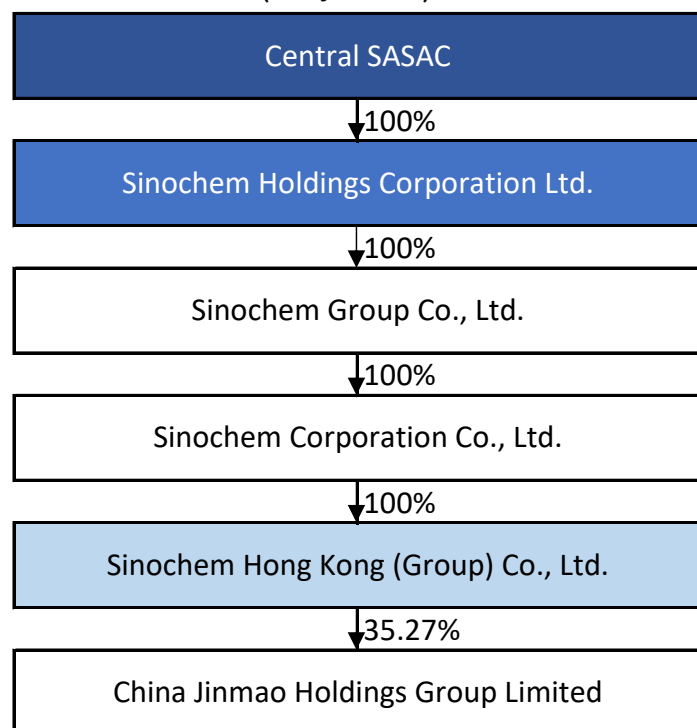
Category	Moody's Rating
<b>SINOCHEM HONG KONG (GROUP) COMPANY LIMITED</b>	
Outlook	Stable
Issuer Rating	A3
<b>SINOCHEM OFFSHORE CAPITAL COMPANY LIMITED</b>	
Outlook	Stable
Bkd Senior Unsecured	A3
Bkd Subordinate -Dom Curr	Baa1
<b>FRANSHION BRILLIANT LIMITED</b>	
Outlook	Stable
Bkd Senior Unsecured -Dom Curr	Baa3
BACKED Pref. Stock -Dom Curr	Ba2
<b>SINOCHEM OVERSEAS CAPITAL COMPANY LIMITED</b>	
Outlook	Stable
Bkd Senior Unsecured -Dom Curr	A3
<b>CHINA JINMAO HOLDINGS GROUP LIMITED</b>	
Outlook	Stable
Issuer Rating	Baa3

Source: Moody's Investors Service

## Appendix

Exhibit 11

Sinochem HK's structure (as of June 2022)



Source: Company

Exhibit 12

## Peer comparison

	Sinochem Hong Kong (Group) A3 Stable			Bright Food (Group) Co., Ltd Baa3 Negative			Reliance Industries Limited Baa2 Stable		
(in US millions)	FYE Dec-20	FYE Dec-21	LTM Jun-22	FYE Dec-20	FYE Dec-21	LTM Jun-22	FYE Mar-20	FYE Mar-21	FYE Mar-22
Revenue	\$8,738	\$14,009	\$14,058	\$8,863	\$8,789	\$8,294	\$86,436	\$65,527	\$96,894
Gross Margin	31%	23%	23%	21%	19%	17%	N/A	N/A	N/A
EBIT / Interest Expense	2.1x	2.9x	2.8x	3.8x	2.9x	3.0x	2.9x	3.2x	5.0x
Debt / Book Capitalization	53%	56%	56%	56%	53%	55%	42%	28%	26%
Debt / EBITDA	6.6x	7.5x	7.7x	6.0x	6.6x	9.2x	3.6x	3.3x	2.6x

All figures and ratios are calculated using Moody's estimates and standard adjustments. FYE = Fiscal year-end.

Source: Moody's Financial Metrics™

Exhibit 13

Moody's-adjusted debt reconciliation for Sinochem Hong Kong (Group) Company Limited<sup>[1][2]</sup>

in HKD millions	FYE Dec-2017	FYE Dec-2018	FYE Dec-2019	FYE Dec-2020	FYE Dec-2021	LTM Jun-2022
<b>As Reported Debt</b>	<b>114,917.4</b>	<b>128,244.8</b>	<b>129,150.3</b>	<b>135,340.3</b>	<b>175,878.5</b>	<b>178,280.0</b>
Non-Standard Public Adjustments	8,971.5	10,239.2	3,713.8	0.0	0.0	0.0
Hybrid Securities	11,069.5	13,039.7	12,149.2	18,837.1	15,716.7	15,004.7
Leases	415.2	285.6	0.0	0.0	0.0	0.0
<b>Moody's-adjusted Debt</b>	<b>135,373.6</b>	<b>151,809.2</b>	<b>145,013.3</b>	<b>154,177.4</b>	<b>191,595.2</b>	<b>193,284.7</b>

<sup>[1]</sup> All figures are calculated using Moody's estimates and standard adjustments.<sup>[2]</sup> Periods are financial year-end unless indicated. LTM = Last 12 months.

Source: Moody's Financial Metrics™

## Endnotes

- 1 While calculating the leverage for the 12 months that ended June 2022, we carried over net lending to Sinochem Holdings and fellow subsidiaries as of year-end 2021 as proxy.

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