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国银金租

CHINA DEVELOPMENT BANK LEASING

國銀金融租賃股份有限公司*

CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD.*

(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 1606)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Board of China Development Bank Financial Leasing Co., Ltd. hereby announces the audited consolidated results of the Company and its subsidiaries for the year ended 31 December 2025 together with the comparative figures in 2024, which should be read in conjunction with the following management discussion and analysis.

* *China Development Bank Financial Leasing Co., Ltd. is (a) not an authorised institution within the meaning of the Banking Ordinance; (b) not authorised to carry on banking/deposit-taking business in Hong Kong; and (c) not subject to the supervision of the Hong Kong Monetary Authority.*

FINANCIAL HIGHLIGHTS

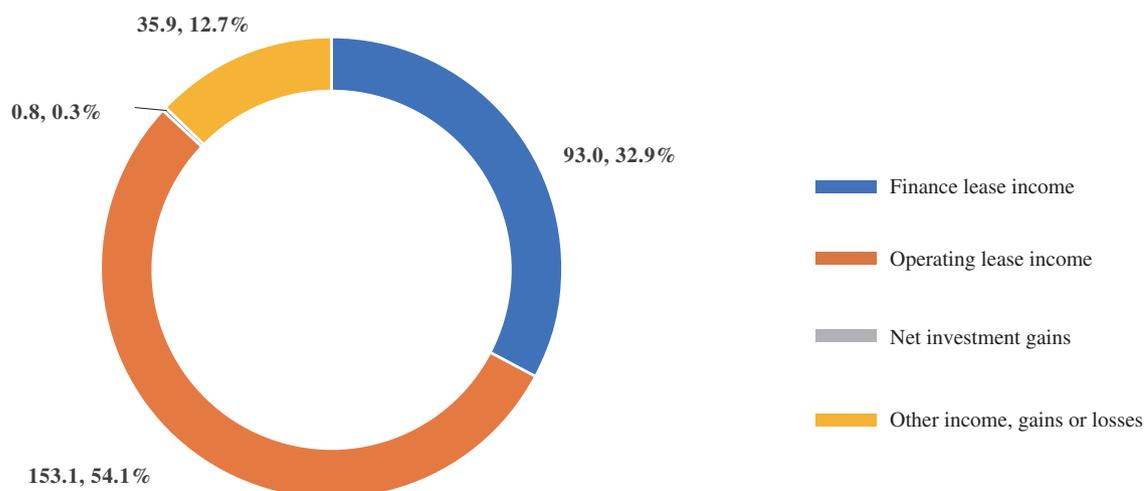
1. SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT OR LOSS

<i>(RMB in thousands)</i>	For the year ended 31 December				
	2025	2024	2023	2022	2021
Finance lease income	9,297,280	10,846,075	10,644,247	10,288,623	9,813,486
Operating lease income	<u>15,313,367</u>	<u>14,588,980</u>	<u>12,361,652</u>	<u>12,475,713</u>	<u>11,550,309</u>
Total lease revenue	<u>24,610,647</u>	<u>25,435,055</u>	<u>23,005,899</u>	<u>22,764,336</u>	<u>21,363,795</u>
Net investment gains	76,242	205,030	155,509	32,489	87,279
Other income, gains or losses	<u>3,593,152</u>	<u>2,923,022</u>	<u>3,493,943</u>	<u>2,256,632</u>	<u>1,864,732</u>
Total revenue and other income	<u>28,280,041</u>	<u>28,563,107</u>	<u>26,655,351</u>	<u>25,053,457</u>	<u>23,315,806</u>
Total expenses	<u>(21,827,082)</u>	<u>(22,560,342)</u>	<u>(21,236,605)</u>	<u>(20,095,503)</u>	<u>(17,780,240)</u>
Of which: Depreciation and amortisation	(7,745,271)	(7,102,295)	(6,097,374)	(5,380,735)	(4,348,822)
Interest expenses	(9,260,128)	(12,978,413)	(10,362,441)	(8,206,689)	(8,087,780)
Impairment losses	<u>(2,188,104)</u>	<u>141,527</u>	<u>(2,272,359)</u>	<u>(4,256,803)</u>	<u>(3,510,289)</u>
Profit before income tax	<u>6,452,959</u>	<u>6,002,765</u>	<u>5,418,746</u>	<u>4,957,954</u>	<u>5,535,566</u>
Profit for the year	<u>5,030,278</u>	<u>4,502,988</u>	<u>4,150,149</u>	<u>3,351,073</u>	<u>3,922,212</u>
Basic and diluted earnings per Share (RMB)	<u>0.40</u>	<u>0.36</u>	<u>0.33</u>	<u>0.27</u>	<u>0.31</u>

In 2025, finance lease income accounted for 32.9% of the operating income of the Group, representing a year-on-year decrease of 5.1 percentage points; operating lease income accounted for 54.1%, representing a year-on-year increase of 3.0 percentage points; other income, gains or losses accounted for 12.7%, representing a year-on-year increase of 2.5 percentage points; and net investment gains accounted for 0.3%, representing a year-on-year decrease of 0.4 percentage point.

Breakdown of Operating Income in 2025

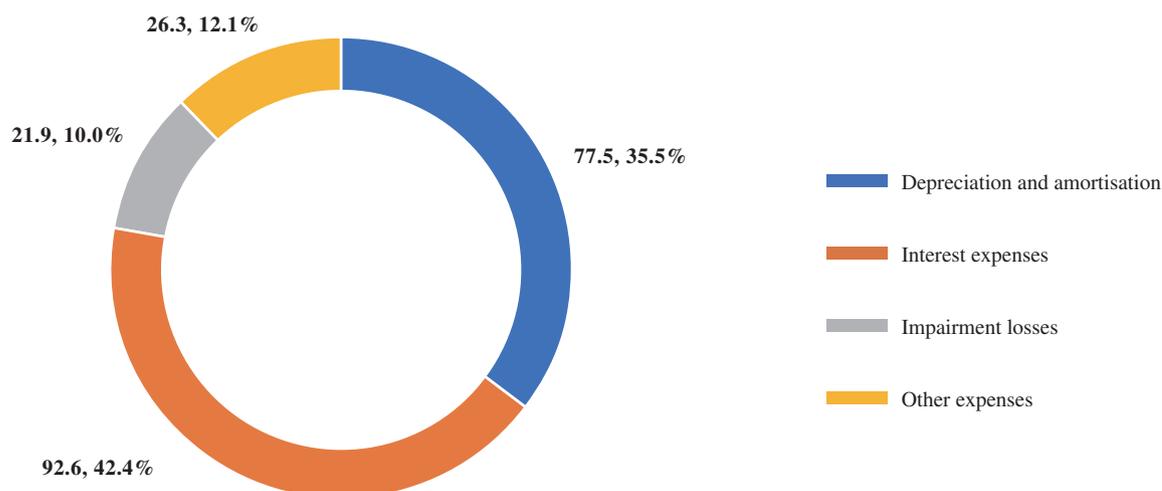
(Unit: RMB'00 million, Percentage)



In 2025, interest expenses accounted for 42.4% of the operating expenses of the Group, representing a year-on-year decrease of 15.1 percentage points; depreciation and amortisation accounted for 35.5%, representing a year-on-year increase of 4.0 percentage points; impairment losses accounted for 10.0%, representing a year-on-year increase of 10.6 percentage points; and other expenses accounted for 12.1%, representing a year-on-year increase of 0.5 percentage point.

Breakdown of Operating Expenses in 2025

(Unit: RMB'00 million, Percentage)



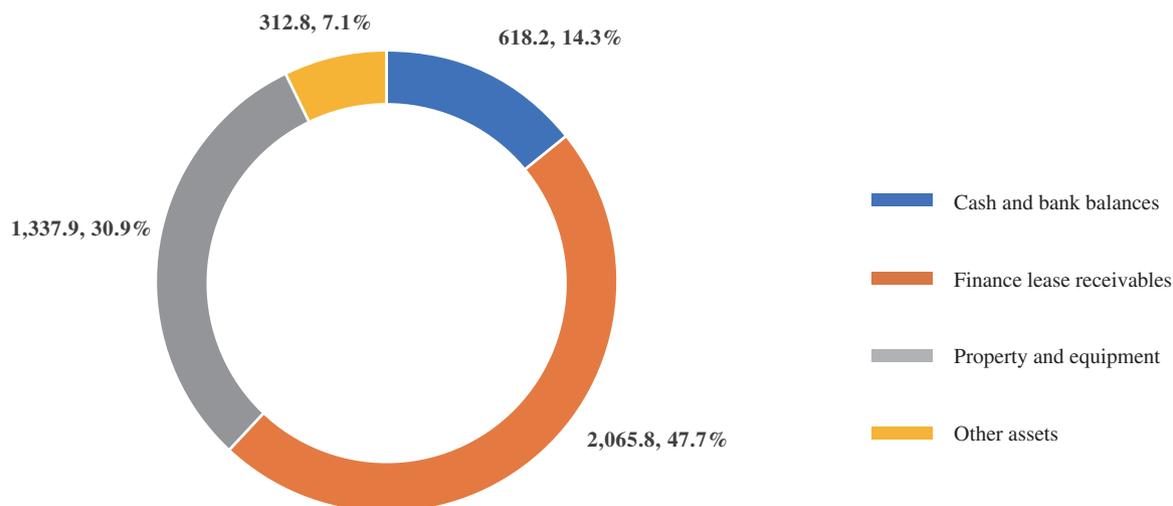
2. SUMMARY OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(RMB in thousands)</i>	As at 31 December				
	2025	2024	2023	2022	2021
Total assets	<u>433,471,493</u>	<u>405,850,330</u>	<u>409,694,903</u>	<u>354,717,247</u>	<u>341,837,629</u>
Of which: Cash and bank balances	61,820,278	43,670,649	69,440,305	29,760,725	36,833,077
Accounts receivable	683,066	624,734	1,335,131	3,487,733	1,245,057
Finance lease receivables	206,577,323	202,099,637	195,101,137	193,494,283	190,871,553
Prepayments	12,969,741	13,535,354	12,708,141	11,551,036	11,958,595
Property and equipment	<u>133,790,869</u>	<u>133,593,877</u>	<u>118,640,179</u>	<u>106,524,461</u>	<u>92,829,721</u>
Total liabilities	<u>389,496,643</u>	<u>365,586,571</u>	<u>372,413,063</u>	<u>320,433,802</u>	<u>311,730,875</u>
Of which: Borrowings	326,998,557	309,814,063	295,875,445	246,882,657	236,087,673
Bonds payable	<u>36,064,802</u>	<u>27,072,912</u>	<u>32,187,230</u>	<u>36,872,054</u>	<u>45,045,528</u>
Total equity	<u>43,974,850</u>	<u>40,263,759</u>	<u>37,281,840</u>	<u>34,283,445</u>	<u>30,106,754</u>
Net assets per share (RMB)	<u>3.48</u>	<u>3.18</u>	<u>2.95</u>	<u>2.71</u>	<u>2.38</u>

As at 31 December 2025, cash and bank balances accounted for 14.3% of the total assets of the Group, representing an increase of 3.5 percentage points as compared with that as at the end of 2024; finance lease receivables accounted for 47.7%, representing a decrease of 2.1 percentage points as compared with that as at the end of 2024; property and equipment accounted for 30.9%, representing a decrease of 2.0 percentage points as compared with that as at the end of 2024; and other assets accounted for 7.1%, representing an increase of 0.6 percentage point as compared with that as at the end of 2024.

Breakdown of Net Book Value of the Total Assets in 2025

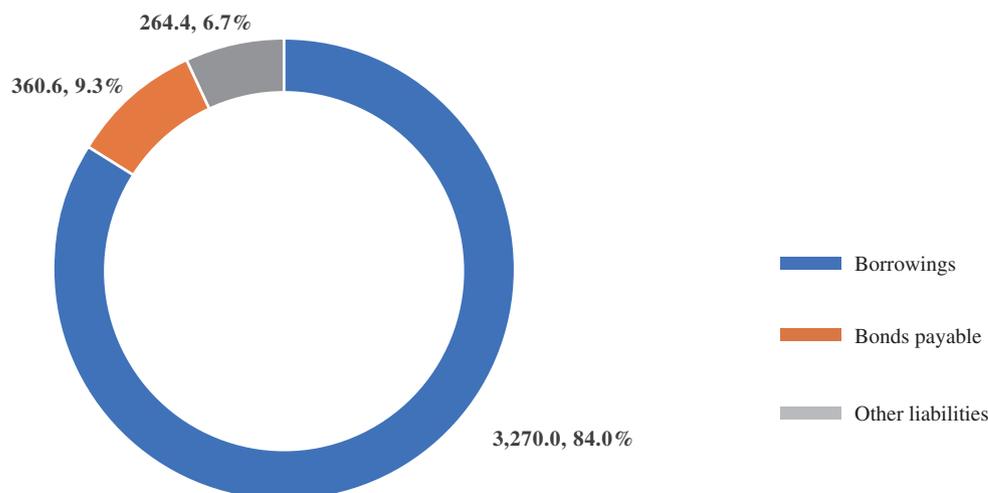
(Unit: RMB'00 million, Percentage)



As at 31 December 2025, borrowings accounted for 84.0% of the total liabilities of the Group, representing a decrease of 0.7 percentage point as compared with that as at the end of 2024; bonds payable accounted for 9.3%, representing an increase of 1.9 percentage points as compared with that as at the end of 2024; and other liabilities accounted for 6.7%, representing a decrease of 1.2 percentage points as compared with that as at the end of 2024.

Breakdown of Net Book Value of the Total Liabilities in 2025

(Unit: RMB'00 million, Percentage)



3. SELECTED FINANCIAL RATIOS

	For the year ended 31 December/ As at 31 December				
	2025	2024	2023	2022	2021
Return on average total assets ⁽¹⁾	1.20%	1.10%	1.09%	0.96%	1.22%
Return on average equity ⁽²⁾	11.94%	11.61%	11.60%	10.41%	13.83%
Cost-to-income ratio ⁽³⁾	9.57%	9.35%	9.55%	9.14%	7.89%
Net profit margin before tax and impairment losses ⁽⁴⁾	35.11%	23.04%	33.43%	40.48%	42.34%
Net profit margin ⁽⁵⁾	20.44%	17.70%	18.04%	14.72%	18.36%
Non-performing asset ratio ⁽⁶⁾	0.62%	0.56%	0.60%	0.63%	0.67%
Financial leverage ratio ⁽⁷⁾	7.60 times	8.25 times	7.89 times	7.75 times	8.47 times
Credit ratings					
Standard & Poor's	A	A	A	A	A
Moody's	A1	A1	A1	A1	A1
Fitch ⁽⁸⁾	A	A+	A+	A+	A+

(1) Calculated by dividing net profit for the year by average balance of total assets at the beginning and the end of the Reporting Period.

(2) Calculated by dividing net profit for the year by weighted average balance of total Shareholders' equity during the year.

(3) Calculated by dividing the sum of the depreciation and amortisation expenses of property and equipment held for administrative purposes, staff costs and other operating expenses by total revenue and other income.

(4) Calculated by dividing profit before tax and impairment losses for the year by the total revenue for the year.

(5) Calculated by dividing net profit for the year by the total revenue for the year.

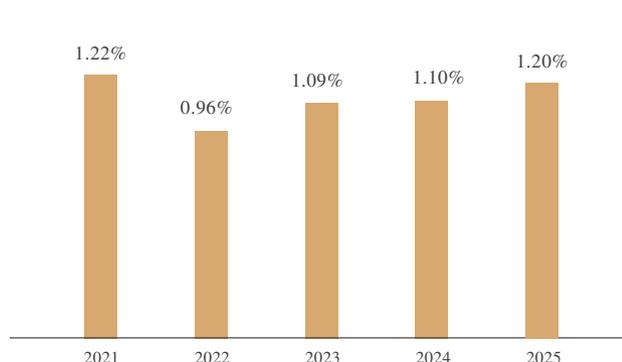
(6) Calculated based on the percentage of non-performing assets over total assets before allowance for impairment losses as at the dates indicated.

(7) Calculated by dividing net debt by total equity. Net debt is defined as total debt less cash and cash equivalents. Total debt comprises borrowings, due to banks and other financial institutions, financial assets sold under repurchase agreements and bonds payable.

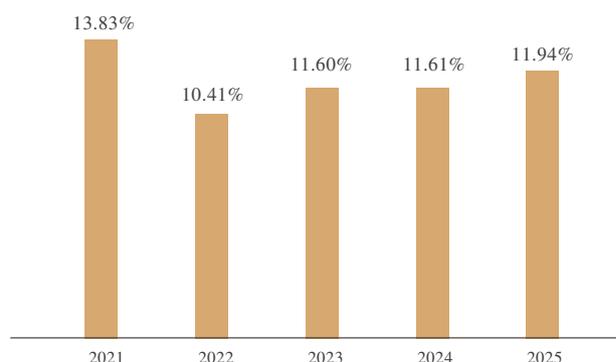
(8) In April 2025, as Fitch downgraded China's sovereign credit rating from A+ to A, the rating of CDB Leasing was also downgraded to A, with the rating outlook remaining stable.

In 2025, the return on average total assets of the Group was 1.20%, representing an increase of 0.10 percentage point as compared with that of last year. The return on average equity of the Group was 11.94%, representing an increase of 0.33 percentage point as compared with that of last year, mainly due to an increase in net profit year-on-year.

Return on Average Total Assets



Return on Average Equity



The following table sets forth, as at the dates indicated, information relating to certain regulatory indicators, calculated in accordance with the requirements of the NFRA and applicable accounting standards.

	Regulatory requirement	As at 31 December				
		2025	2024	2023	2022	2021
Capital adequacy indicators⁽¹⁾						
Core tier-one capital adequacy ratio ⁽²⁾	≥7.5%	11.11%	10.49%	9.96%	9.86%	9.40%
Tier-one capital adequacy ratio ⁽³⁾	≥8.5%	11.11%	10.49%	9.96%	9.86%	9.40%
Capital adequacy ratio ⁽⁴⁾	≥10.5%	13.16%	12.95%	12.47%	12.46%	11.93%
Asset quality indicators						
Ratio of allowance to non-performing finance lease related assets ⁽⁵⁾	≥100%	487.54%	551.24%	547.72%	573.07%	847.80%

⁽¹⁾ Calculated based on the Administrative Measures for the Capital of Commercial Banks.

⁽²⁾ Calculated by dividing core tier-one capital, net of core tier-one capital deductions, by risk-weighted assets.

⁽³⁾ Calculated by dividing tier-one capital, net of tier-one capital deductions, by risk-weighted assets.

⁽⁴⁾ Calculated by dividing total capital, net of capital deductions, by risk-weighted assets.

⁽⁵⁾ Calculated by dividing allowance for impairment losses on finance lease related assets by non-performing finance lease related assets.

MANAGEMENT DISCUSSION AND ANALYSIS

1. BUSINESS SITUATION AND COMPANY'S RESPONSE

1.1 Business Environment

According to the Global Economic Prospects Report published by the World Bank in January 2026, despite ongoing trade tensions and policy uncertainties, the global economy was able to deliver a stronger-than-expected growth of 2.7% in 2025, with resilience outperforming projections. This valuable outperformance was primarily attributable to proactive corporate initiatives in anticipation of tariff hikes, a surge in artificial intelligence investments, improved financial conditions, and the supply chains' adaptation to trade barriers. Emerging markets and developing economies also delivered a better-than-expected performance in 2025. Furthermore, governments worldwide are proactively adapting to new geopolitical landscape by actively optimising fiscal and structural policies, thereby providing an institutional guarantee for stable economic growth.

Domestically, according to preliminary calculations by the National Bureau of Statistics, the Gross Domestic Product (GDP) of China reached RMB140.2 trillion in 2025, representing a year-on-year increase of 5.0% and maintaining its leading position among the world's major economies. By sector, the primary industry grew by 3.9% over the previous year, the secondary industry by 4.5%, and the tertiary industry by 5.4%. The overall economic growth trajectory remained stable throughout the year, with quarterly growth fluctuations narrowing, transition between old and new growth drivers speeding up, and structural optimisation featured prominently. In 2025, navigating the complex changes in the domestic and international economic environment, China's economy operated under pressure, advancing towards innovation and higher quality. New achievements were made in high-quality development, the principal objectives and tasks for economic and social development were successfully accomplished, marking a triumphant conclusion to the "14th Five-Year Plan" period.

In 2025, the financial leasing industry continued to evolve under the dual imperatives of standardised development and functionality enhancement. The NFRA promoted the comprehensive implementation of the Administrative Measures on Financial Leasing Companies. Local financial regulatory bureaus further strengthened tiered supervision and risk early warning, guiding the industry to adhere to its "asset leasing" foundation and enhance the quality and efficiency of serving the real economy. Regulatory policies have been continuously refined, driving financial leasing companies to optimise their equity structures, enhance corporate governance, reinforce capital constraints, and strengthen comprehensive risk management. Under the overarching themes of compliant operations and high-quality development, the industry has focused on its main business, steadily consolidating its professional advantages in traditional sectors such as aviation, shipping, and large-scale equipment. Meanwhile, it has actively expanded into emerging fields including green leasing, intelligent manufacturing, digital economy, and public services. The pace of digital transformation has accelerated, with technology empowering risk control, operations, and customer service, driving the industry towards intelligent and scenario-based upgrades. Financial leasing companies are progressively becoming a pivotal force bridging finance and industry, supporting equipment renewal and technological transformation, and playing an increasingly vital role in promoting industrial upgrading and bolstering the real economy.

1.2 Overview of the Company's Responses and Business Results

In 2025, the Group adhered to the guiding principle of “seeking progress while maintaining stability”, and concentrated on its main responsibilities and main businesses. Centred on serving national strategies, advancing the “five major areas” of finance, and fostering the development of new quality productive forces, the Group endeavoured to stabilise scale, optimise structure, control risks, and enhance quality. In doing so, the Group achieved high-quality development while steadfastly serving the real economy.

Steady progress in operating results

- Total assets reached RMB433,471 million, representing an increase of 6.8% as compared with that as at the end of last year;
- Operating income was RMB28,280 million, representing a year-on-year decrease of 1.0%;
- Net profit reached RMB5,030 million, representing a year-on-year increase of 11.7%;
- A final dividend of RMB0.9947 per 10 Shares (inclusive of tax) has been proposed for 2025⁽¹⁾;
- Average return on equity (ROE) and average return on total assets (ROA) were 11.94% and 1.20% respectively, reflecting a continuous improvement in profitability;
- Non-performing asset ratio was 0.62% as at the end of the year, which has been kept below 1% since its listing, showing that the asset quality has remained stable; and
- The ratio of allowance to non-performing finance lease related assets was 487.54%, and the risk compensation capability was strong.

Enhancing Business Development Quality and Efficiency

The Group remained focus on high-quality development, continuously optimised its business structure, and has made an additional investment for the year of RMB95.093 billion.

- Aircraft leasing business: The Group has deepened its presence in domestic and international aviation leasing markets while actively supporting the development of China-made large aircraft industry. The Group successfully delivered one COMAC C919 aircraft. In addition, the Group seized market opportunities by progressively disposing of aged aircraft, and achieved sustained improvements in lease rental yields and aircraft valuation. The Group has been proactively pursuing insurance claims for aircraft detained in Russia, and has received insurance settlement proceeds of approximately US\$140 million in 2025.

⁽¹⁾ The dividend distribution proposal for 2025 is subject to approval at the annual Shareholders' meeting of 2025 of the Company (the “ASM”).

- Ship leasing business: The Group has been actively supporting the construction of a “powerful shipping country”. It led several domestic leasing companies in successfully completing the world’s first joint finance lease business for floating production, storage and offloading (FPSO) vessels, developed joint finance lease business for floating liquefied natural gas (FLNG) facilities, and launched operating lease business for small offshore engineering support vessels including platform supply vessels (PSV). The Group seized the market conditions and proactively disposed of 7 vessels throughout the year, thereby realising return on assets.
- Energy leasing business: The Group remained firmly committed to the strategic “dual carbon” goals, continuously increased its leasing support for the green energy sector. Throughout the year, an investment of RMB37.6 billion was made, representing a year-on-year increase of 41%. The Group collaborated with premium power enterprises in establishing a comprehensive, multi-modal service system covering wind power, photovoltaic power generation, hydropower and energy storage and gradually expanding its business scope nationwide, thereby accelerating the implementation of China’s “dual carbon” strategy.
- High-end equipment leasing business: The Group proactively seizes opportunities arising from industrial upgrading by continuously deepening its penetration across the upstream and downstream industrial chains of computing infrastructure, integrated circuits, Internet Data Center (IDC), and high-end manufacturing. Through an integrated industry-finance model, it promoted industrial structure optimisation, drove technological iteration and renewal, and continuously enhanced the quality and efficiency of services supporting the development of new productive forces.
- Inclusive finance business: The Group has effectively expanded its passenger vehicle product portfolio for retail leasing, established a comprehensive asset lifecycle management mechanism encompassing “strategic design, process standardisation, system support and ecosystem synergy”, and developed effective solutions for the cyclical exit of operating lease businesses. Leveraging fintech solutions to enhance digital and intelligent empowerment, it has developed convenient customer service channels and an efficient operational management system, thereby improving customer satisfaction.

Enhancing Internal Management Continuously

- **Corporate governance:** The Group has amended its Articles of Association and each of the institutional rules of procedures to optimise the governance framework at the highest level of corporate governance. Reform of the Board of Supervisors has been completed in accordance with the new Company Law of the PRC and relevant supporting regulations, enabling a smooth transition of its functions to the audit committee of the Board and further refining the supervision and governance structure. Director survey and training initiatives have been carried out to tangibly enhance the performance capabilities of Directors, particularly newly appointed independent Directors.
- **Capital management:** The Group has systematically advanced the implementation of the Administrative Measures for the Capital of Commercial Banks, further optimising capital allocation across legal entities at all levels and continuously improving the long-term capital management mechanism, resulting in steady growth in capital adequacy ratio. The Group has formulated its capital plans for 2025 to 2027, laying institutional guarantee for the Company’s sustainable development. It successfully issued US\$500 million 10-year sustainability Tier 2 capital bonds in the global market. Additionally, the US\$860 million capital increase proposal to its subsidiary CDB Aviation has been deliberated and approved by the Board and the second extraordinary general meeting of 2025 held on 17 November 2025, subject to the approval of the NFRA Shenzhen Office.
- **Asset and liability management (ALM):** The Group has enhanced its ALM capabilities by establishing and continuously refining a comprehensive, lifecycle-spanning dynamic monitoring and scheduling mechanism for assets and liabilities. Such a mechanism enables meticulous management of core regulatory indicators including capital adequacy ratio, leverage levels, and liquidity, thereby maintaining all indicators consistently above regulatory requirements and ensuring reasonably ample liquidity. In 2025, the Group issued RMB-denominated and US dollar-denominated bonds of RMB11 billion and US\$760 million respectively to further optimise its debt structure, which resulted in a steady increase in the proportion of medium- and long-term funds and enhanced maturity matching between assets and liabilities.
- **Risk management:** The Group has reinforced its risk prevention and control framework, continuously enhanced comprehensive risk governance, fulfilled requirements for consolidated management, and strengthened penetrative management. It has upgraded its digital and intelligent risk management capabilities by establishing a foundation for digital and intelligent risk management, so as to refine its management practices. The Group has adopted a “complete rationing system” in addressing non-performing assets, steadily advancing the oversight and resolution of risky projects. As at the end of 2025, the Group’s non-performing asset ratio stood at 0.62%, maintaining a low level, with asset quality remaining stable.

- **Compliance and internal control:** The Group has diligently implemented the Administrative Measures on Financial Leasing Companies by focusing on key regulatory concerns, maintaining comprehensive rectification ledgers, and continuously refining its compliance management framework. Complying strictly with the compliance inspection requirements, the Group has rigorously controlled its business entry criteria. Aligned with the central theme of the “Digital and Intelligent Enhancement Year”, it has comprehensively elevated the level of its refined management. The Group advanced compliance culture development through multiple dimensions, reinforced compliance awareness among all staff, and fortified the internal control defences for prudent operations.
- **Digital and intelligent enhancement:** The Group has successfully commissioned major systems including the operation management platform for energy and equipment business, the vehicle retail business, and the asset-liability management system. Meanwhile, projects such as the customer rating model and middle platform for big data risk control have been initiated. A digital and intelligent enhancement roadmap has been formulated to systematically advance artificial intelligence development and scenario-based application rollouts, thereby laying a robust foundation for high-quality business growth empowered by digital and intelligent capabilities.

Enhancing Brand Value Continuously

The Group insists on serving the real economy through leasing, practices the political and people-oriented nature of financial work, proactively serves the national strategic layout, and continuously enhances its service level and core competitiveness by focusing on the “five major areas” of finance. While achieving growth in performance, the Group has actively assumed its environmental, social and governance (“ESG”) responsibilities, and its social influence and brand values have continued to grow.

In 2025, the Group was awarded the “2025 (8th) China Financial Leasing Soaring Award – Most Influential Financial Leasing Company” at the Global Leasing Industry Competitiveness Forum and the “Annual Social Responsibility Exemplar Award” at the 19th “Financial Billboard” sponsored by Shenzhen Special Zone Daily. Besides, the Group was selected as an excellent case for the “five major areas” of finance in Financial News’ 2025 Golden Dragon • Financial Power Awards. At the “2025 Leasing and Finance Conference”, it was honoured with multiple accolades including “ESG Influence Excellence List for Financial Leasing Institutions” and “Comprehensive Quality Excellence List for Financial Leasing Institutions”.

Moreover, the Group has maintained its commitment to consistently rewarding Shareholders with cash dividends while strengthening market capitalisation management. We maintained active communication with investors, with our standing in the capital markets and brand influence seeing continuous enhancement.

2. FINANCIAL REVIEW

2.1 Analysis of Consolidated Statement of Profit and Loss

2.1.1 Overview of Consolidated Statement of Profit and Loss

In 2025, the Group's results continued to grow, with a significant year-on-year increase in net lease income. Profit for the year amounted to RMB5,030.3 million, representing an increase of RMB527.3 million, or 11.7% as compared with that of last year, primarily attributable to the Group's continuous optimization of its business structure and improvement of its professional capabilities, and strengthened capital cost management, which led to continuous improvement in interest rate spreads and steady growth in the profitability of its leasing businesses. Meanwhile, the Group actively sought and realised large-scale aircraft insurance claims, and sold aircraft and vessel assets when opportunities arose, leading to a return on assets. Consequently, the Group's net profit reached a record high in 2025.

The following table sets forth the consolidated statement of profit and loss of the Group for the years indicated and the changes therein:

<i>(RMB in millions, except percentages)</i>	For the year ended 31 December		
	2025	2024	Change
Revenue and other income			
Finance lease income	9,297.3	10,846.1	(14.3%)
Operating lease income	15,313.4	14,589.0	5.0%
Total lease revenue	24,610.7	25,435.1	(3.2%)
Net investment gains	76.2	205.0	(62.8%)
Other income, gains or losses	3,593.1	2,923.0	22.9%
Total revenue and other income	28,280.0	28,563.1	(1.0%)

<i>(RMB in millions, except percentages)</i>	For the year ended 31 December		
	2025	2024	Change
Depreciation and amortisation	(7,745.3)	(7,102.3)	9.1%
Staff costs	(533.7)	(514.7)	3.7%
Fee and commission expenses	(43.4)	(55.1)	(21.2%)
Interest expenses	(9,260.1)	(12,978.4)	(28.6%)
Other operating expenses	(2,056.5)	(2,051.4)	0.2%
Impairment losses	(2,188.1)	141.5	N/A
Total expenses	<u>(21,827.1)</u>	<u>(22,560.4)</u>	<u>(3.3%)</u>
Profit before income tax	6,452.9	6,002.7	7.5%
Income tax expense	<u>(1,422.6)</u>	<u>(1,499.7)</u>	<u>(5.1%)</u>
Profit for the year	<u>5,030.3</u>	<u>4,503.0</u>	<u>11.7%</u>

2.1.2 Total Lease Revenue

Revenue of the Group was primarily derived from finance lease income and operating lease income. In 2025, the total lease revenue of the Group amounted to RMB24,610.7 million, representing a decrease of RMB824.4 million, or 3.2% as compared with that of last year, primarily due to a decline in the yield on finance leases, resulting in a decrease in finance lease income as compared to last year.

2.1.2.1 Finance Lease Income

The following table sets forth the finance lease income of the Group's business segments for the years indicated:

<i>(RMB in millions, except percentages)</i>	For the year ended 31 December		
	2025	2024	Change
Finance lease income			
Aircraft leasing	25.2	13.4	88.1%
Ship leasing	1,253.6	1,365.2	(8.2%)
Energy leasing	2,529.4	2,004.9	26.2%
High-end equipment leasing	3,041.3	3,489.6	(12.8%)
Inclusive finance	1,370.7	1,864.0	(26.5%)
Others	<u>1,077.1</u>	<u>2,109.0</u>	<u>(48.9%)</u>
Total	<u>9,297.3</u>	<u>10,846.1</u>	<u>(14.3%)</u>

In 2025, finance lease income of the Group amounted to RMB9,297.3 million, accounting for 37.8% of the total lease revenue, representing a decrease of RMB1,548.8 million, or 14.3% as compared with that of last year, primarily due to a decline in the yield of finance lease business.

With respect to aircraft leasing, in 2025, finance lease income from this segment of the Group amounted to RMB25.2 million, representing an increase of RMB11.8 million, or 88.1% as compared with that of last year, primarily due to the increase in the scale and yield of finance lease assets of the aircraft leasing business as compared with that of last year.

With respect to ship leasing, in 2025, finance lease income from this segment of the Group amounted to RMB1,253.6 million, representing a decrease of RMB111.6 million, or 8.2% as compared with that of last year, primarily due to the decrease in the scale of ship finance lease assets as compared with that of last year, as well as the decrease in financing lease income resulted from the decline in USD interest rates, with the contract rates for certain ship financing lease businesses linked to Secured Overnight Financing Rate (“SOFR”).

With respect to energy leasing, in 2025, finance lease income from this segment of the Group amounted to RMB2,529.4 million, representing an increase of RMB524.5 million, or 26.2% as compared with that of last year, primarily due to the Group’s ongoing promotion of business transformation and innovation and its increased investment in new energy businesses, which led to a steady increase in the scale of finance lease assets of the energy leasing business.

With respect to high-end equipment leasing, in 2025, finance lease income from this segment of the Group amounted to RMB3,041.3 million, representing a decrease of RMB448.3 million, or 12.8% as compared with that of last year, primarily due to the decrease in the scale and yield of finance lease assets of the high-end equipment leasing business in 2025 as compared with that of last year.

With respect to inclusive finance, in 2025, finance lease income from this segment of the Group amounted to RMB1,370.7 million, representing a decrease of RMB493.3 million, or 26.5% as compared with that of last year, primarily due to the decrease in the yield of inclusive finance business as compared with that of last year.

With respect to others, in 2025, finance lease income from this segment of the Group amounted to RMB1,077.1 million, representing a decrease of RMB1,031.9 million, or 48.9% as compared with that of last year, primarily due to the Group’s ongoing promotion of business transformation, which led to a decrease in the scale and yield of finance lease assets including structures as compared with that of last year.

2.1.2.2 Operating Lease Income

The following table sets forth the operating lease income of the Group's business segments for the years indicated:

<i>(RMB in millions, except percentages)</i>	For the year ended 31 December		
	2025	2024	Change
Operating lease income			
Aircraft leasing	9,277.2	8,173.5	13.5%
Ship leasing	4,620.9	5,294.6	(12.7%)
Energy leasing	67.7	2.6	2,503.8%
High-end equipment leasing	73.5	58.0	26.7%
Inclusive finance	1,161.2	945.2	22.9%
Others	112.9	115.1	(1.9%)
Total	<u>15,313.4</u>	<u>14,589.0</u>	<u>5.0%</u>

In 2025, operating lease income of the Group amounted to RMB15,313.4 million, accounting for 62.2% of the total lease revenue, representing an increase of RMB724.4 million, or 5.0% as compared with that of last year, primarily due to the increase in the scale of operating lease assets in 2025 as compared with that of last year.

With respect to aircraft leasing, in 2025, operating lease income from this segment of the Group amounted to RMB9,277.2 million, representing an increase of RMB1,103.7 million, or 13.5% as compared with that of last year, primarily due to the increase in the scale and yield of aircraft operating lease assets as compared with that of last year.

With respect to ship leasing, in 2025, operating lease income from this segment of the Group amounted to RMB4,620.9 million, representing a decrease of RMB673.7 million, or 12.7% as compared with that of last year, primarily due to the fact that the majority of ship operating lease income from this segment was linked to the BDI, and the BDI decreased compared to last year, as well as a decrease in the scale of ship operating lease assets as compared with that of last year.

With respect to energy leasing, in 2025, operating lease income from this segment of the Group amounted to RMB67.7 million, representing an increase of RMB65.1 million as compared with that of last year, primarily due to the Group's ongoing promotion of business transformation and innovation, which led to an increase in the scale of operating lease assets of the energy leasing business.

With respect to high-end equipment leasing, in 2025, operating lease income from this segment of the Group amounted to RMB73.5 million, representing an increase of RMB15.5 million, or 26.7% as compared with that of last year, primarily due to the increase in the scale of operating lease assets of the high-end equipment leasing business.

With respect to inclusive finance, in 2025, operating lease income from this segment of the Group amounted to RMB1,161.2 million, representing an increase of RMB216.0 million, or 22.9% as compared with that of last year, primarily due to the increase in the scale of vehicle operating lease assets in 2025.

With respect to others, in 2025, operating lease income from this segment of the Group amounted to RMB112.9 million, representing a decrease of RMB2.2 million, or 1.9% as compared with that of last year.

2.1.2.3 Net Investment Gains

In 2025, net investment gains of the Group amounted to RMB76.2 million, representing a decrease of RMB128.8 million, or 62.8% as compared with that of last year, primarily because the Group no longer held treasury bonds of the PRC government in 2025, resulting in a year-on-year decrease in investment gains.

2.1.2.4 Other Income, Gains or Losses

In 2025, other income, gains or losses of the Group amounted to RMB3,593.1 million, representing an increase of RMB670.1 million, or 22.9% as compared with that of last year, primarily due to the unrealised fair value change of foreign currency derivatives, and the increase in aircraft insurance claim income and proceeds from asset sales.

2.1.3 *Cost and Expenses*

In 2025, total cost and expenses of the Group amounted to RMB21,827.1 million, representing a decrease of RMB733.3 million, or 3.3% as compared with that of last year, primarily due to the decrease in interest expenses.

2.1.3.1 Depreciation and Amortisation

In 2025, the depreciation and amortisation expenses of the Group amounted to RMB7,745.3 million, representing an increase of RMB643.0 million, or 9.1% as compared with that of last year, primarily due to the increase in depreciation expenses of operating lease assets as a result of the growth in the scale of operating lease assets.

2.1.3.2 Staff Costs

In 2025, the Group's salaries, bonuses and allowances amounted to RMB409.3 million and the Group's other statutory and social security and training expenses amounted to RMB124.4 million. The staff costs increased by 3.7% as compared with that of last year, which was mainly due to the increase in the number of the Group's staff and adjustment of the staff structure in accordance with the market environmental changes and the demands of business development.

2.1.3.3 Fee and Commission Expenses

In 2025, fee and commission expenses of the Group amounted to RMB43.4 million, representing a decrease of RMB11.7 million, or 21.2% as compared with that of last year, primarily due to the decrease in project supervision fees and bank charges.

2.1.3.4 Interest Expenses

In 2025, interest expenses of the Group amounted to RMB9,260.1 million, representing a decrease of RMB3,718.3 million, or 28.6% as compared with that of last year, primarily due to a decrease in both average borrowing scale and financing cost rate, resulting in the decrease in interest expenses.

2.1.3.5 Other Operating Expenses

In 2025, other operating expenses of the Group amounted to RMB2,056.5 million, representing an increase of RMB5.1 million, or 0.2% as compared with that of last year, primarily due to the increase in aircraft maintenance expenses.

2.1.3.6 Net Impairment Losses

In 2025, the Group recognised impairment losses of RMB2,188.1 million, compared with a reversal of impairment losses of RMB141.5 million in the last year. This was mainly due to increased credit risks in certain existing projects and updates to the macroeconomic parameters in the impairment model, leading to corresponding adjustments to the provision ratios.

2.1.4 Profit before Income Tax

In 2025, profit before income tax of the Group amounted to RMB6,452.9 million, representing an increase of RMB450.2 million, or 7.5% as compared with that of last year.

2.1.5 Income Tax Expense

In 2025, income tax expense of the Group amounted to RMB1,422.6 million, representing a decrease of RMB77.1 million, or 5.1% as compared with that of last year, primarily due to the increase in profit from business segments with low tax rate.

2.1.6 Profit for the Year

In 2025, profit for the year of the Group amounted to RMB5,030.3 million, representing an increase of RMB527.3 million, or 11.7% as compared with that of last year.

2.2 Analysis on the Consolidated Statement of Financial Position

The following table sets forth the consolidated statement of financial position of the Group as at the dates indicated and the changes therein:

<i>(RMB in millions, except percentages)</i>	As at 31 December		Change
	2025	2024	
Assets			
Cash and bank balances	61,820.3	43,670.6	41.6%
Financial assets at fair value			
through profit or loss	266.3	213.9	24.5%
Derivative financial assets	1,493.8	437.9	241.1%
Accounts receivable	683.1	624.7	9.3%
Finance lease receivables	206,577.3	202,099.6	2.2%
Assets held-for-sale	1,180.8	175.8	571.7%
Prepayments	12,969.7	13,535.4	(4.2%)
Investment properties	836.5	1,058.4	(21.0%)
Property and equipment	133,790.9	133,593.9	0.1%
Right-of-use assets	131.5	143.2	(8.2%)
Deferred tax assets	3,023.3	2,327.4	29.9%
Other assets	10,698.0	7,969.5	34.2%
Total assets	<u>433,471.5</u>	<u>405,850.3</u>	<u>6.8%</u>
Liabilities			
Borrowings	326,998.6	309,814.1	5.5%
Due to banks and other financial institutions	2,384.6	5,185.4	(54.0%)
Derivative financial liabilities	236.9	856.5	(72.3%)
Accrued staff costs	345.0	274.5	25.7%
Bonds payable	36,064.8	27,072.9	33.2%
Tax payable	841.4	466.9	80.2%
Lease liabilities	160.4	160.8	(0.2%)
Deferred tax liabilities	1,219.3	1,045.0	16.7%
Other liabilities	21,245.6	20,710.4	2.6%
Total liabilities	<u>389,496.6</u>	<u>365,586.5</u>	<u>6.5%</u>
Total equity	<u>43,974.9</u>	<u>40,263.8</u>	<u>9.2%</u>

2.2.1 Total Assets

The principal components of the Group's assets were cash and bank balances, finance lease receivables, prepayments and property and equipment. As at 31 December 2025, these assets accounted for 95.8% of the total assets. As at 31 December 2025, total assets of the Group amounted to RMB433,471.5 million, representing an increase of RMB27,621.2 million, or 6.8% as compared with that as at the end of last year, primarily due to the increase in cash and bank balances of the Group and the steady expansion of the scale of lease assets.

2.2.1.1 Cash and Bank Balances

As at 31 December 2025, cash and bank balances of the Group amounted to RMB61,820.3 million, representing an increase of RMB18,149.7 million, or 41.6% as compared with that as at the end of last year, primarily due to the increase in liquidity provision to support business development needs of the Group.

2.2.1.2 Finance Lease Receivables

<i>(RMB in millions, except percentages)</i>	As at 31 December		
	2025	2024	Change
Finance lease receivables – gross	264,641.5	255,467.0	3.6%
Less: unearned finance income	(46,869.9)	(44,089.5)	6.3%
Finance lease receivables – net	217,771.6	211,377.5	3.0%
Less: allowance for impairment losses	(11,194.3)	(9,277.9)	20.7%
Finance lease receivables – net value	<u>206,577.3</u>	<u>202,099.6</u>	<u>2.2%</u>

As at 31 December 2025, finance lease receivables of the Group amounted to RMB206,577.3 million, representing an increase of RMB4,477.7 million, or 2.2% as compared with that as at the end of last year, primarily due to the continuous growth in the scale of the Group's finance lease business.

2.2.1.3 Prepayments

As at 31 December 2025, the balance of the prepayments of the Group amounted to RMB12,969.7 million, representing a decrease of RMB565.7 million, or 4.2% as compared with that as at the end of last year, primarily due to the delivery of purchase orders of aircraft, which resulted in a decrease in balance of prepayments.

2.2.1.4 Property and Equipment

Property and equipment were composed of equipment held for operating lease businesses and property and equipment held for administrative purposes. As at 31 December 2025, equipment held for operating lease businesses of the Group amounted to RMB133,234.9 million, representing an increase of RMB212.2 million, or 0.2% as compared with that as at the end of last year, primarily due to the increase in the scale of aircraft, new energy power plants and other assets for operating lease.

As at 31 December 2025, property and equipment held for administrative purposes of the Group amounted to RMB556.0 million, representing a decrease of RMB15.2 million, or 2.7% as compared with that as at the end of last year, primarily due to the decrease in net value of property and equipment held for administrative purposes with provision for depreciation.

The following table sets forth the breakdown of the property and equipment of the Group as at the dates indicated:

	As at 31 December		
<i>(RMB in millions, except percentages)</i>	2025	2024	Change
Property and equipment			
Equipment held for operating lease businesses	133,234.9	133,022.7	0.2%
Property and equipment held for administrative purposes	<u>556.0</u>	<u>571.2</u>	<u>(2.7%)</u>
Property and equipment – net value	<u>133,790.9</u>	<u>133,593.9</u>	<u>0.1%</u>

2.2.1.5 Other Assets

Other assets mainly included deductible value-added tax, prepaid expense, straightline amortised lease asset, interest receivable, maintenance right assets and other receivables, etc. As at 31 December 2025, other assets of the Group amounted to RMB10,698.0 million, representing an increase of RMB2,728.5 million, or 34.2% as compared with that as at the end of last year, primarily due to the Group's increased investment in lease assets, which resulted in an increase in deductible value-added tax.

2.2.2 Lease Assets

The following table sets forth the breakdown of the Group's finance lease assets as at the dates indicated:

<i>(RMB in millions, except percentages)</i>	As at 31 December		
	2025	2024	Change
Finance lease related assets			
Finance lease receivables	<u>206,577.3</u>	<u>202,099.6</u>	<u>2.2%</u>
Total	<u>206,577.3</u>	<u>202,099.6</u>	<u>2.2%</u>

The following table sets forth the breakdown of the operating lease assets of the Group as at the dates indicated:

<i>(RMB in millions, except percentages)</i>	As at 31 December		
	2025	2024	Change
Operating lease assets			
Investment properties	836.5	1,058.4	(21.0%)
Property and equipment – equipment held for operating lease businesses	<u>133,234.9</u>	<u>133,022.7</u>	<u>0.2%</u>
Total	<u>134,071.4</u>	<u>134,081.1</u>	<u>0.0%</u>

Finance lease assets of the Group represented a year-on-year increase of 2.2% while operating lease assets remained stable. In 2025, lease assets of the Group maintained a steady growth trend on a year-on-year basis.

2.2.3 Total Liabilities

As at 31 December 2025, total liabilities of the Group amounted to RMB389,496.6 million, representing an increase of RMB23,910.1 million, or 6.5% as compared with that as at the end of last year, primarily due to the increase in the scale of borrowings and bonds payable in order to support business development.

2.2.3.1 Borrowings

As at 31 December 2025, the balance of borrowings of the Group amounted to RMB326,998.6 million, representing an increase of RMB17,184.5 million, or 5.5% as compared with that as at the end of last year, primarily due to the increase in financing to support the development of business scale.

2.2.3.2 Bonds Payable

As at 31 December 2025, the balance of bonds payable of the Group amounted to RMB36,064.8 million, representing an increase of RMB8,991.9 million, or 33.2% as compared with that as at the end of last year, primarily due to larger scale of bonds newly issued than the scale of those falling due in 2025, resulting in a year-on-year increase in the year-end balance of bonds payable.

2.2.3.3 Other Liabilities

As at 31 December 2025, the balance of other liabilities of the Group amounted to RMB21,245.6 million, representing an increase of RMB535.2 million, or 2.6% as compared with that as at the end of last year.

2.3 Analysis on the Statement of Cash Flows

The following table sets forth the Group's statement of cash flows for the years indicated and the changes therein:

<i>(RMB in millions, except percentages)</i>	For the year ended 31 December		
	2025	2024	Change
Net cash flows from operating activities	23,624.0	582.7	3,954.2%
Net cash flows used in investing activities	(9,042.2)	(32,528.7)	(72.2%)
Net cash flows from/(used in) financing activities	7,215.9	(7,162.2)	N/A
Net increase/(decrease) in cash and cash equivalents	<u>21,797.6</u>	<u>(39,108.2)</u>	<u>N/A</u>

In 2025, the net cash inflow from operating activities of the Group amounted to RMB23,624.0 million, primarily due to an increase in cash received as a result of the Group's expanded borrowings. The net cash outflow used in investing activities of the Group amounted to RMB9,042.2 million, representing a decrease of 72.2%, primarily due to a reduction in payments made for the Group's investments. The net cash inflow from financing activities of the Group amounted to RMB7,215.9 million, primarily due to the increase in net cash inflow from the issuance of bonds by the Group.

3. BUSINESS OPERATION

In alignment with the Group's development strategies and the development plan for the "15th Five-Year Plan" period, and to facilitate investors' clear understanding of the Group's business layout and developing direction while enhancing information transparency, the Group has, commencing from the 2025 Annual Report, optimised the business segments disclosure in its periodic reports. The business segments have been reclassified into five specialised segments, namely aircraft leasing, ship leasing, energy leasing, high-end equipment leasing and inclusive finance, together with other operations (the business segments prior to adjustment were aircraft leasing, ship leasing, regional development leasing, inclusive finance, and green energy and high-end equipment leasing), and the segment information for the year 2024 has been adjusted accordingly.

In 2025, the Group continued to optimise its business structure and consolidate the foundation for high-quality development. In 2025, the total investment in leasing business of the Group amounted to RMB95,093.4 million, among which the investment in aircraft leasing, ship leasing, energy leasing, high-end equipment leasing and inclusive finance were RMB9,729.7 million, RMB3,774.8 million, RMB37,629.1 million, RMB17,620.4 million and RMB26,339.4 million, respectively.

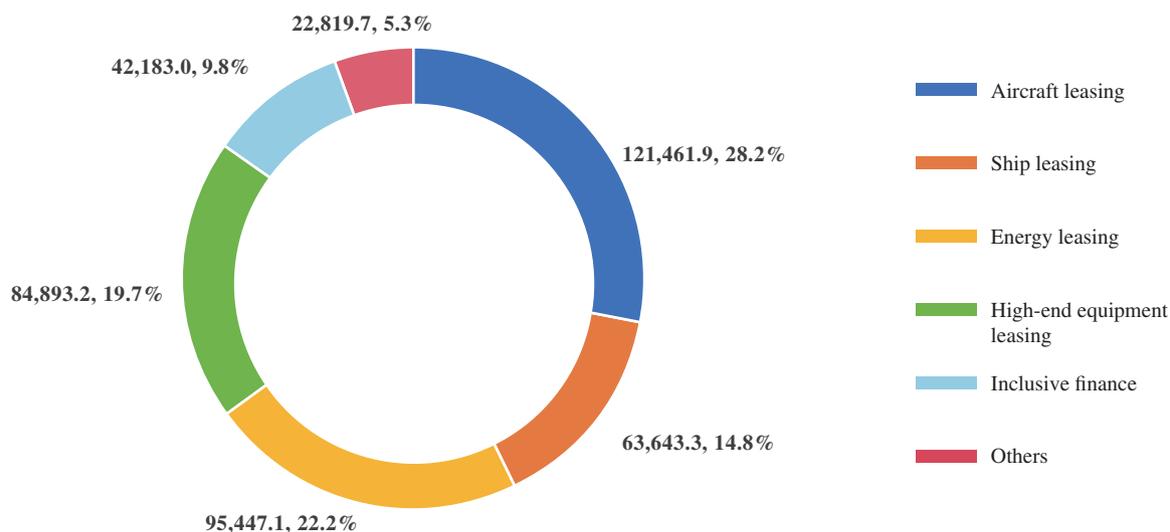
The following table sets forth the assets of each business segment of the Group as at the dates indicated:

<i>(RMB in millions, except percentages)</i>	As at 31 December			
	2025		2024	
Segment assets⁽¹⁾	Amount	Proportion	Amount	Proportion
Aircraft leasing	121,461.9	28.2%	120,078.4	29.8%
Ship leasing	63,643.3	14.8%	64,739.8	16.0%
Energy leasing	95,447.1	22.2%	58,399.1	14.5%
High-end equipment leasing	84,893.2	19.7%	90,242.3	22.4%
Inclusive finance	42,183.0	9.8%	34,411.3	8.5%
Others	22,819.7	5.3%	35,652.0	8.8%
Total	<u>430,448.2</u>	<u>100.0%</u>	<u>403,522.9</u>	<u>100.0%</u>

⁽¹⁾ Assets of each business segment as listed exclude deferred tax assets. Segment assets and liabilities are allocated to each segment, excluding deferred tax assets and liabilities, and the segment result excludes income tax expense. Segment revenue, results, assets and liabilities mainly include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Breakdown of Assets of Each Business Segment in 2025

(Unit: RMB million, Percentage)

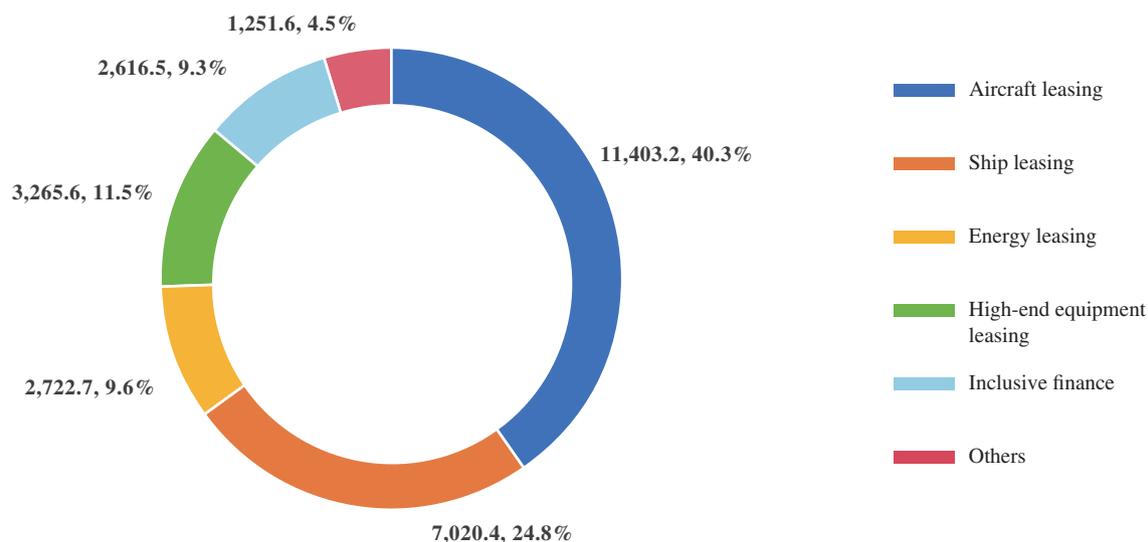


The following table sets forth the revenue and other income of each business segment for the years indicated:

<i>(RMB in millions, except percentages)</i> Segment revenue and other income	For the year ended 31 December			
	2025		2024	
	Amount	Proportion	Amount	Proportion
Aircraft leasing	11,403.2	40.3%	9,247.1	32.4%
Ship leasing	7,020.4	24.8%	7,754.4	27.1%
Energy leasing	2,722.7	9.6%	2,227.7	7.8%
High-end equipment leasing	3,265.6	11.5%	3,902.4	13.7%
Inclusive finance	2,616.5	9.3%	2,971.3	10.4%
Others	1,251.6	4.5%	2,460.2	8.6%
Total	28,280.0	100.0%	28,563.1	100.0%

Breakdown of Revenue and Other Income of Each Business Segment in 2025

(Unit: RMB million, Percentage)



The following table sets forth the profit before income tax of each business segment for the years indicated:

<i>(RMB in millions)</i>	For the year ended	
	31 December	
Segment profit before income tax	2025	2024
	Amount	Amount
Aircraft leasing	1,754.7	235.4
Ship leasing	1,396.7	1,798.1
Energy leasing	503.6	529.2
High-end equipment leasing	1,451.6	1,179.8
Inclusive finance	716.5	1,131.3
Others	629.8	1,128.9
Total	<u>6,452.9</u>	<u>6,002.7</u>

The following table sets forth the profit margin before income tax of each business segment for the years indicated:

Segment profit margin before income tax⁽¹⁾	For the year ended 31 December	
	2025	2024
Aircraft leasing	18.9%	2.9%
Ship leasing	23.8%	27.0%
Energy leasing	19.4%	26.4%
High-end equipment leasing	46.6%	33.3%
Inclusive finance	28.3%	40.3%
Others	52.9%	50.8%

⁽¹⁾ Segment profit margin before income tax is calculated by dividing the segment profit before income tax by the segment leasing revenue. The leasing revenue includes finance lease income and operating lease income.

3.1 Aircraft Leasing

The International Air Transport Association (“IATA”) indicated that the passenger demand for global air travel remained its steady growth and reached a record high in 2025, with total demand, measured in revenue passenger kilometers (RPK), rising 5.3% compared to 2024. Total capacity, measured in available seat kilometers (ASK), was up 5.2% in 2025. The overall passenger load factor (PLF) reached a record high of 83.6%, up 0.1 percentage point. IATA also pointed out that the strong and continuous increase in demand growth also faces two key challenges – decarbonization and supply chain. Despite the economic, supply chain and geopolitical challenges, the aircraft manufacturers, Boeing and Airbus forecast that traffic will grow annually by 4.2% and 3.6% respectively for the next twenty years. The global in-service-fleet will have reached 49,640 aircraft by then according to Boeing and 43,420 aircraft as projected by Airbus, underscoring the resilience of the aviation industry after unprecedented disruption.

In 2025, with an international leasing business platform, professional team, good relationships with manufacturers and a global and well-diversified customer network, the Group continued to seize opportunities as the industry progressed its growth to build a fleet comprising next-generation, mainstream narrow-body aircraft and increase the Group’s competitiveness in the industry.

During 2025, the highlights of the Group's aircraft leasing segment are:

- Executed 33 transactions for 89 new and used aircraft, 10 airframes and engines, covering order placement, remarketing and extensions, sale and leaseback deals, portfolio acquisitions and sales;
- Signed financing transactions for a total of US\$4.9 billion;
- Maintained CDB Aviation's strong investment grade credit ratings as A2¹ by Moody's, A by S&P and A by Fitch Ratings; and
- Further expanded our diversified global customer base with new customers, leasing business now covering a total of 87 lessees across 44 countries and regions.

As at 31 December 2025, total assets of the aircraft leasing segment of the Group amounted to RMB121,461.9 million, representing an increase of RMB1,383.5 million, or 1.2% as compared to that as at the end of last year, mainly due to the continuing expansion of the Group's fleet. The total revenue and other income of the aircraft leasing segment amounted to RMB11,403.2 million, representing an increase of RMB2,156.1 million, or 23.3% as compared with that of last year. The profit before income tax for this segment was RMB1,754.7 million, representing an increase of RMB1,519.3 million as compared with that of last year, mainly due to the continued recovery of the global air transport market and the persistent tightness in aircraft supply and demand, resulting in a sustained increase of lease rental yields in the aircraft leasing segment alongside a reduction in the cost of funds. At the same time, the Group consistently optimized its fleet structure, achieved higher gains from asset sales, and proactively pursued and received insurance settlement proceeds for the aircraft, all of which contributed to a significant increase in the segment's profit before income tax.

In 2025, the net lease yield of the operating lease aircraft was 5.6%², the lease yield of the finance lease aircraft was 4.0%³.

As at 31 December 2025, the Group had a total portfolio of 502 aircraft and 5 engines, consisting of 321 owned aircraft, 5 engines and 181 committed aircraft. Our global customer base covers 87 lessees in 44 countries and regions. As at 31 December 2025, 316 owned aircraft and 5 engines of the Group were held for operating lease and 5 owned aircraft of the Group were under finance lease. As at 31 December 2025, the weighted average age by aircraft value⁴ of the Group's owned aircraft held for operating lease was 5.7 years, and the weighted average remaining lease term by aircraft value of the Group's owned aircraft held for operating lease was 7.4 years.

¹ Moody's has upgraded CDB Aviation's ratings from A2 to A1 in 2026.

² The calculation is net lease income of aircraft/engines operating lease business divided by average monthly balance of operating lease assets. Net lease income equals aircraft/engines operating lease income plus maintenance income less interest expenses of the operating lease business.

³ The calculation is lease income of aircraft finance lease divided by average monthly balance of aircraft finance lease assets. As at 31 December 2025, only five finance leased aircraft remained, therefore the impact of finance lease on revenue is immaterial.

⁴ For operating lease, aircraft value equals the sum of owned fleet net book value and intangible assets value; for finance lease, aircraft value equals finance lease receivable.

The Group's owned and in-service fleet mainly includes narrow-body aircraft types comprising the Airbus A320ceo and A320neo family, Boeing 737NG and 737MAX family and COMAC C919, and wide-body types such as Airbus A330ceo, A330neo and A350, and Boeing 777-300ER and 787-9. As at 31 December 2025, the Group's owned fleet consists of 81% narrow-body aircraft, 16% wide-body aircraft and 3% freighters and other assets by aircraft value. As at 31 December 2025, the total net book value of the Group's owned fleet was US\$13,223.3 million.

The following table sets forth the composition of the Group's fleet and committed aircraft as at 31 December 2025:

Type	Owned	Committed	Total
A320-200	40	–	40
A321-200	9	–	9
A330-200	3	–	3
A330-300	17	–	17
A330-900	6	–	6
A350-900	4	–	4
A320neo	79	19	98
A321neo	54	85	139
Airbus Total	212	104	316
737-800	42	–	42
777-300ER	1	–	1
737 Max 8	47	77	124
787-9	1	–	1
Boeing Total	91	77	168
C919	1	–	1
COMAC Total	1	–	1
E190-100LR	11	–	11
Embraer Total	11	–	11
Freighters	6	–	6
Engines	5	–	5
Total	326	181	507

The Group's orderbook is comprised solely of next-generation, liquid, narrow-body aircraft types. As at 31 December 2025, the Group has committed to purchasing 177 narrow-body aircraft under its direct OEM orders, including 73 aircraft from Boeing and 104 aircraft from Airbus. These aircraft are scheduled to be delivered between 2026 and 2032. The Group also has contractual commitments to acquire a further 4 aircraft under sale-lease-back transactions. The aggregate future capital expenditure commitments were RMB71,341.5 million.

In addition to the above committed aircraft, the Group has 70 non-binding entitlements with COMAC, consisting of 20 C909 aircraft and 50 C919 aircraft.

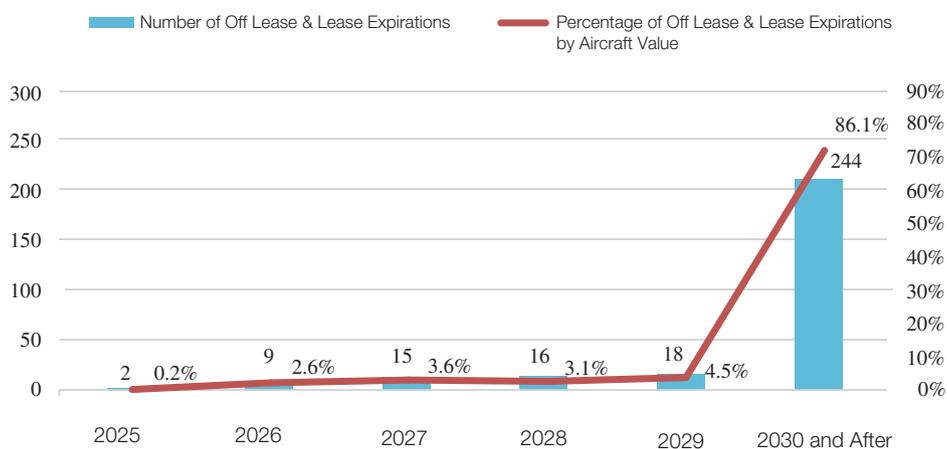
As at 31 December 2025, among 181 committed aircraft (including aircraft under direct OEM orders and sale-lease-back), 32 were scheduled for delivery in 2026, 19 in 2027 and 130 from 2028 onwards.

As at 31 December 2025, among 177 aircraft committed to be purchased directly from OEMs, 44 were committed for lease, of which 28 were scheduled for delivery in 2026 and 16 in 2027.

As at 31 December 2025, the Group was committed to sale-lease-back transactions covering 4 aircraft scheduled for delivery in 2026.

The following chart sets forth the breakdown of the number of aircraft and percentage of aircraft value balance as at 31 December 2025 of those off-lease aircraft and aircraft under operating lease with scheduled leases expiring in the future, excluding any aircraft for which the Group has a sale commitment, to be converted to finance lease, under teardown, unable to remarket due to bankruptcy proceedings of relevant lessees and the Russian-Ukraine conflict. 1 out of 2 aircraft with lease expired in 2025 has entered into letter of intent for sale.

Off Lease and Lease Expirations



During 2025, in order to optimize fleet structure and dispose of non-core assets, the Group sold 14 aircraft (of which 13 were non-core aircraft), 4 airframes and 1 engine, which in total realised a gain on disposal of US\$70.7 million with a net book value on disposal of assets of US\$309.0 million. In 2025, the Group received a total of approximately US\$140 million insurance settlement proceeds in respect of those aircraft detained in Russia.

The Group's owned aircraft under operating lease (excluding 2 aircraft still detained in Russia) was 98.2% fleet utilisation due to the impact of aircraft in transition.

The following table sets forth a breakdown of the Group's revenue and lease assets by region of lessee for 2025:

Region	Percentage of lease revenue in 2025	Percentage of aircraft value as at 31 December 2025
The PRC	30.2%	25.8%
Asia Pacific (excluding the PRC)	21.3%	21.3%
Europe	22.2%	22.8%
Americas	22.1%	22.9%
Middle East	3.6%	5.5%
Africa	0.6%	1.2%
Off-lease/Under teardown	—	0.5%
Total	<u>100.0%</u>	<u>100.0%</u>

The following table sets forth a breakdown of the Group's owned fleet by manufacturer as at 31 December 2025:

Manufacturer	Percentage of aircraft value as at 31 December 2025
Airbus	73.1%
Boeing	25.0%
COMAC	0.4%
Others	1.5%
Total	<u>100.0%</u>

3.2 Ship Leasing

In 2025, the shipping market exhibited a pattern of commencing low and trending upward throughout the year. Geopolitical influences were pronounced at the beginning but moderated subsequently, with divergence across market segments becoming increasingly evident. In the bulk carrier shipping segment, the market faced headwinds in the first half of 2025, followed by a notable recovery in the second half; nevertheless, full-year earnings declined year-on-year. Benefiting from the expected incremental demand for sea freight arising from the commissioning of the Simandou iron ore project and thus the rising freight rates, Capesize vessels recorded a notable increase in the fourth quarter. The tanker market presented a mixed picture: crude tankers, propelled by sanctions on “non-compliant” trade, saw Very Large Crude Carriers (VLCC) posting a near 50% surge in full-year earnings to the highest level in recent years; product tankers faced pressure as a whole, with earnings recovering in the fourth quarter yet remaining below prior-year levels on a full-year basis. Spot freight rates for container ships retreated from last year’s elevated levels; however, due to the ongoing Red Sea detour, charter rates remained at high levels. The LNG ship market remained subdued throughout the year, though a phase of freight rate recovery emerged in the fourth quarter driven by increased LNG production.

In 2025, confronted with a complex landscape encompassing global trade policy uncertainties, the impact of the U.S. Section 301 maritime investigation, supply chain restructuring triggered by geopolitical developments, and intensifying industry competition, the Group overcame adverse factors, maintained a steadfast strategic focus and achieved satisfactory operating results. In terms of business development, the Group maintained a professional approach, actively expanding its presence in the offshore engineering market while consolidating its foundation in conventional merchant ship operations. In the high-end offshore engineering segment, the Group led a consortium of domestic financial leasing companies in successfully completing the world’s first joint finance lease business for a floating production, storage and offloading (FPSO) vessel; in the offshore support vessel segment, the Group successfully implemented an operating lease programme for eight platform supply vessels (PSV); in the conventional merchant ship segment, the Group completed the delivery and lease commencement for six newly built vessels throughout the year. With respect to asset operations, the Group deployed multiple measures to facilitate the disposal of vessel assets, proactively sold seven vessels during the year to effectively secure the floating profit. The Group’s vessels on time charter maintained good safety conditions, with an annual average vessel utilisation rate of 99.7%, continued to maintain a first-class international standard. In 2025, the Group’s vessel leasing segment made an additional investment totaling RMB3,774.8 million.

As at 31 December 2025, the Group had a total of 236 vessels in operation, comprising 35 vessels under finance leases and 201 vessels under operating leases. The Group had a total of 10 vessels under construction, consisting of two bulk carriers and eight offshore support vessels, all of which were under operating leases. The average age of the Group’s vessels under lease was 7.5 years, bulk carriers with an average age of 7.2 years, container ships with an average age of 9.2 years, product tankers with an average age of 6.2 years, LNG ships with an average age of 11.3 years, passenger cruise ships with an average age of 16.5 years, and offshore engineering vessels with an average age of 12.2 years.

Asset structure of the Group's vessels in operation as at 31 December 2025 is as follows:

**Asset structure of the Group's vessels in
operation as at 31 December 2025**

Type	Operating lease (ships)	Finance lease (ships)	Total (ships)
Bulk carrier ⁽¹⁾	162	12	174
Product tanker	32	–	32
Container ship	–	9	9
LNG ship	6	12	18
Passenger cruise ship ⁽²⁾	1	1	2
Offshore engineering vessels/ships ⁽³⁾	–	1	1
Total	<u>201</u>	<u>35</u>	<u>236</u>

⁽¹⁾ Another 2 new ships were under construction.

⁽²⁾ The program of operating lease is a joint leasing program.

⁽³⁾ Another 8 new ships were under construction.

As at 31 December 2025, the total assets of the ship leasing segment of the Group amounted to RMB63,643.3 million, representing a decrease of RMB1,096.5 million, or 1.7% as compared to that as at the end of last year, primarily attributable to the Group's optimisation of asset operations and the sales of certain ship leasing assets. In 2025, the revenue and other income of the ship leasing segment of the Group amounted to RMB7,020.4 million, representing a decrease of RMB734.0 million, or 9.5% as compared with that of last year. The profit before income tax of this segment amounted to RMB1,396.7 million, representing a decrease of RMB401.4 million, or 22.3% over that of last year. Such decline was attributable to a decrease in lease income and profit before income tax as a result of fluctuations in the BDI, in addition to the impact of the downsizing caused by the aforementioned optimisation of asset structure.

3.3 Energy Leasing

According to the data published by the National Energy Administration, as at the end of 2025, the cumulative installed capacity of power generation in China was approximately 3.89 billion kW, representing a year-on-year increase of 16.1%. In particular, the installed capacity of solar power generation was approximately 1.20 billion kW, representing a year-on-year increase of 35.4%; the installed capacity of wind power was approximately 640 million kW, representing a year-on-year increase of 22.9%.

The Group's energy leasing business focuses on centralized wind power and photovoltaic power generation, complemented by distributed photovoltaic power generation, energy storage, hydropower and others. In 2025, against the backdrop of accelerated transformation in the energy industry, the Group intensified its business development efforts, with customer base and new business investments expanding significantly, forming a positive development landscape extending from key regions to the whole country. In 2025, the Group made an additional investment of RMB37,629.1 million in the energy leasing segment.

The Group actively enhanced the effectiveness of its services for green finance and increased its investment in the green energy business. As at the end of 2025, the total installed capacity of the Group's green energy power plants reached 20.3 GW, including 7.2 GW of wind power, 11.0 GW of photovoltaic power, 2.0 GW of hydropower, 0.1 GW of solar thermal power, and the installed capacity of new energy storage power plants reached approximately 9,000 MWh.

As at 31 December 2025, the total assets of the energy leasing segment of the Group amounted to RMB95,447.1 million, representing an increase of RMB37,048.0 million, or 63.4% as compared to that as at the end of last year. In 2025, revenue and other income of the segment amounted to RMB2,722.7 million, representing an increase of RMB495.0 million, or 22.2% as compared to that of last year, which was primarily due to the Group's continued efforts in transformation and innovation and increased investment in the energy business, resulting in an expansion in the scale of lease assets such as new energy power plants for photovoltaic power and wind power generation and a corresponding increase in revenue and other income. The Group actively served the green finance, continuously reinforced its long-term business layout and financing support in the green energy industry. Meanwhile, through increasing provisions, the Group continuously enhanced the risk resistance of its long-term assets.

3.4 High-end Equipment Leasing

According to publicly available data, in 2025, the added value of the industry above the designated size in China increased by 5.9% year-on-year, with the high-tech manufacturing sector growing by 9.4% year-on-year. China has accelerated the advancement of modern industrialisation. The industrial economy remained stable with positive momentum, the industrial structure continued to optimise, innovation-driven forces strengthened, and corporate profitability steadily improved.

The Group's high-end equipment leasing business focuses on key areas such as technological innovation, high-end equipment manufacturing, and strategic emerging industries. In 2025, targeting high-quality development, the Group continuously deepened its penetration into the industrial chains of computing power equipment, integrated circuits, display materials, and high-end manufacturing. It steadfastly increased its support for new quality productivity, thereby contributing to the development of the real economy and the transformation and upgrading of the manufacturing industry. In 2025, the Group made an additional investment of RMB17,620.4 million in the high-end equipment leasing segment.

As at 31 December 2025, the total assets of the high-end equipment leasing segment of the Group amounted to RMB84,893.2 million, representing a decrease of RMB5,349.1 million, or 5.9%, as compared to that as at the end of last year. In 2025, revenue and other income of the segment amounted to RMB3,265.6 million, representing a decrease of RMB636.8 million, or 16.3%, as compared to that of last year. In 2025, profit before income tax of this segment amounted to RMB1,451.6 million, representing an increase of RMB271.8 million, or 23.0% as compared to that of last year, which was primarily due to proactive expansion of high-quality clients and projects, continuous optimisation of capital cost management and control, and improvement of lease interest rate spreads, which led to the year-on-year growth in profit before tax of this segment.

3.5 Inclusive Finance

The Group's inclusive finance business focuses primarily on leasing services for vehicles, construction machinery and agricultural machinery, which benefit the general public. In 2025, the Group made an additional investment of RMB26,339.4 million in the inclusive finance segment.

As at 31 December 2025, the total assets of the inclusive finance segment of the Group amounted to RMB42,183.0 million, representing an increase of RMB7,771.7 million, or 22.6% as compared to that as at the end of last year. In 2025, revenue and other income of this segment amounted to RMB2,616.5 million, representing a decrease of RMB354.8 million, or 11.9% as compared to that of last year. In 2025, profit before income tax of this segment amounted to RMB716.5 million, representing a decrease of RMB414.8 million, or 36.7% as compared to that of last year, which was primarily due to the Group's commitment to its social responsibility in inclusive finance, passing on policy benefits and offering concessionary terms to small and micro enterprises, consequently resulting in a decrease in the yield of the inclusive finance business as compared to that of last year.

3.5.1 *Vehicle Leasing*

According to the statistics of China Association of Automobile Manufacturers, in 2025, the automobile industry sustained robust resilience and dynamism, with multiple indicators reaching new highs, marking a successful conclusion to the 14th Five-Year Plan. In 2025, the automobile production and sales in China completed cumulatively 34.53 million and 34.40 million units, representing year-on-year increases of 10.4% and 9.4% respectively. In particular, the passenger vehicle market grew steadily, with annual production and sales reaching 30.27 million and 30.10 million units, representing year-on-year increases of 10.2% and 9.2% respectively. As a core component of automobile consumption, it effectively drove the overall growth of the automobile market; the commercial vehicle market showed signs of recovery and improvement, with production and sales growing by over 10% to return to a level exceeding 4 million units; new growth drivers continued to gain momentum, and new energy vehicle recorded production and sales exceeding 16 million units.

In 2025, the Group firstly succeeded in expanding its services to niche scenarios such as new energy commercial vehicles, ride-hailing and test-drive vehicles while consolidating our business layout in mobility, urban logistics and other cornerstone sectors. By deepening strategic synergies with industry leaders and developing bespoke products, we effectively met the diverse and specialised financial needs of businesses across the entire supply chain. This approach facilitated healthy growth in business scale alongside parallel improvements in service quality and efficiency, enabling us to provide efficient and convenient financing support to a broader range of small and micro enterprises and individual business owners, thereby tangibly enhancing the accessibility and inclusivity of our financial services. Secondly, by closely monitoring market dynamics and customer needs, we have optimised and upgraded our products to better align with market conditions, thereby further strengthening our collaborative ties with key partners and ensuring stable financial support for a broad base of individual customers. Thirdly, we have intensified the application of fintech solutions to bolster our digital and intelligent empowerment, create convenient customer service channels and an efficient operational management system, and enhance customer satisfaction. Fourthly, we strictly adhered to our risk management principles by advancing big data-driven risk control and propelling the optimisation and iteration of the risk control model multi-dimensionally, thereby improving the precision of risk management and ensuring the stable operation of our assets. In 2025, the Group placed more than 172,000 additional vehicles in service, directly or indirectly benefiting more than 120,000 end clients.

As at 31 December 2025, the Group's assets related to vehicle leasing business amounted to RMB31,823.9 million, representing an increase of RMB7,796.6 million, or 32.4% from the end of last year and accounting for 75.4% of the assets of the inclusive finance segment.

3.5.2 *Construction and Agricultural Machinery Leasing*

In 2025, driven by policies supporting domestic infrastructure investment and equipment renewal, China's construction machinery sector maintained steady development, with trends towards electrification and internationalisation continuing to gain momentum. The Group actively capitalised on industry trends, continuously consolidated strategic partnerships with leading manufacturers in the construction machinery sector and deepened ecosystem-wide collaboration with premium suppliers and specialist operators. Through innovative financial products and diversified service solutions, the Group significantly enhanced customer loyalty and business penetration. In 2025, the Group's construction machinery leasing business had cumulatively placed 25,000 units of equipment in service, directly or indirectly benefiting over 2,600 end customers.

With regard to agricultural machinery leasing, the Group, on one hand, deepened its outreach to machinery manufacturers and dealers to strengthen partnership ties and collaboration management, integrate resources through synergistic collaboration, and establish an efficient partnership framework, thereby expanding the coverage and enhancing the quality of our financial services. On the other hand, the Group continued to pay attention to market demand, continuously optimised products and business processes to enhance product experience and competitiveness. Capitalising on the peak seasons of "spring planting and autumn harvest" in agriculture, the Group increased its business investments to provide more farmers with financial support. In 2025, the Group's agricultural machinery leasing business placed over 4,300 units of equipment in service, providing financial services to more than 4,200 farmers and continued to provide robust financial support for the advancement of agricultural modernisation.

As at 31 December 2025, the Group's assets related to construction and agricultural machinery leasing business amounted to RMB10,359.1 million, representing a decrease of RMB24.9 million, or 0.2% from the end of last year and accounting for 24.6% of the assets of the inclusive finance segment.

The following table sets forth the net book value and proportion of assets in relation to the leasing business of each sub-segment in the inclusive finance segment of the Group as at the dates indicated:

<i>(RMB in millions, except percentages)</i>	As at 31 December 2025		As at 31 December 2024	
	Amount	Percentage	Amount	Percentage
Vehicle leasing	31,823.9	75.4%	24,027.3	69.8%
Construction and agricultural machinery leasing	<u>10,359.1</u>	<u>24.6%</u>	<u>10,384.0</u>	<u>30.2%</u>
Total	<u>42,183.0</u>	<u>100.0%</u>	<u>34,411.30</u>	<u>100.0%</u>

3.6 Others

Assets of the others segment listed in this announcement consist of the Group's assets that are not categorized under the aforementioned five specialized segments, representing primarily the Group's existing structures and property assets.

As at 31 December 2025, the total assets of the others segment of the Group amounted to RMB22,819.7 million, representing a decrease of RMB12,832.3 million, or 36.0% as compared to that as at the end of last year. In 2025, revenue and other income of this segment amounted to RMB1,251.6 million, representing a decrease of RMB1,208.6 million, or 49.1% as compared to that of last year. In 2025, profit before income tax of this segment amounted to RMB629.8 million, representing a decrease of RMB499.1 million, or 44.2% as compared to that of last year, which was mainly because the Group continued to advance its business transformation and ceased to add new assets to this segment to actively implement regulatory requirements, resulted in a continuous decline in the scale of lease assets and a corresponding decrease in revenue and profit.

4. FINANCING

Benefiting from high credit ratings ("A1" by Moody's, "A" by Standard & Poor's, and "A" by Fitch), the Group continuously strengthened its funding capability to diversify its financing channels. The Group continued to deepen its cooperation with domestic and overseas banks and other financial institutions to ensure sufficient funds available for business development. As at 31 December 2025, the Group had business relationships with 165 banks and was granted credit facilities amounting to a total of approximately RMB781.41 billion, including unused credit facilities of approximately RMB450.87 billion. In 2025, amidst the complex and changeable macroeconomic and financial environment both domestically and internationally, the Group closely monitored market changes, adjusted the financing strategy in time, continued to expand financing channels, optimised the debt duration structure and enhanced the stability of debts while balancing financing costs.

In terms of RMB financing, the Group dynamically adjusted its financing maturity strategy based on market conditions and interest rate trends, effectively reducing financing costs. Regarding USD financing, the Company continued to innovate its financing models and implemented multiple measures to control financing costs; while ensuring short-term liquidity, it appropriately extended financing maturities to optimise the alignment with the term structure of its aircraft and ship leasing businesses. In terms of bond financing, the Group publicly issued dual-tranche senior bonds in the global markets in May 2025, consisting of USD400 million 5-year fixed-rate bonds and USD300 million 5-year floating-rate bonds. In November 2025, the Company successfully issued US\$500 million sustainability Tier 2 capital bonds. The proceeds will be used to replenish the Company's Tier 2 capital and to support the Company's investments in green and social initiatives. In addition, the Company cumulatively issued three 3-year RMB-denominated common financial bonds and one 3-year RMB-denominated green financial bonds in China's interbank bond market throughout the year, raising a total of RMB11 billion. These initiatives effectively locked in our capital cost for the medium-to-long term, further optimised the liability maturity structure, and enhanced operation stability. As for interest rate structure, the Group continued to maintain its original strategy for the risk management on interest rate and actively managed the matching of assets and liabilities in terms of interest rate structure. As for the structure of exchange rates, the Group continued to maintain its original strategy for the risk management on exchange rates and maintained a basic match between the currencies of assets and liabilities, which greatly reduced the impact of market exchange rate fluctuations.

In 2025, the financing sources of the Group mainly included bank borrowings and issuance of bonds. As at 31 December 2025, the Group's balances of bank borrowings and bonds payable were RMB326,998.6 million and RMB36,064.8 million, respectively.

5. RISK MANAGEMENT

The Group is exposed to various risks in its ordinary course of business, including credit risk, market risk, liquidity risk, operational risk, information technology (“IT”) risk, reputational risk and country risk, etc. The Group aims to build an independent, comprehensive and professional risk management system that aligns with both the requirements of group-wide risk control and consolidated management, while adapting to business development and risk management needs. To achieve this, we have established and continuously improved a comprehensive risk management framework covering “all employees, entire processes, all business operations, all institutions, all products and all risk types”. By promoting a risk culture characterised by “prudent, cautious, compliant and professional” principles, we have cultivated risk management philosophies, value principles and professional ethics that are fully compatible with the Company's business development.

The Group adopts the hierarchical management based on the “three layers of defence”: Business lines, as the first layer of defence of comprehensive risks prevention, assume direct responsibilities of risk management. Risk management lines, as the second layer of defence of comprehensive risks prevention, assume responsibilities of formulating policies and process, daily monitoring and management of the risks. The Internal Audit Department, as the third layer of defence of comprehensive risks prevention, assumes responsibilities of auditing the performance of business lines and risk management lines. Each department of the above three layers of defence should undertake their own responsibilities, strengthen communication and information transmission, enhance coordination and collaboration and improve risk management and control.

In 2025, the Group adopted a “moderate” strategy in relation to risk appetite. With regard to the selection of industries, the Group preferred industries and fields with mature business models, economies of scale and equipped with excellent asset quality. In terms of customer selection, the Group preferred large enterprises, leading enterprises in the industry, or listed companies with high quality. In terms of lease assets operation, the Group conducted scientific classification, value analysis and professional management and accelerate the transfer of lease assets by combining operation strategies, market environment and the features of lease assets.

In 2025, the Group leveraged the achievements of the 14th Five-Year Plan to undertake the formulation of the risk management plan for the 15th Five-Year Plan period. This plan, designed to safeguard the Company’s long-term high-quality development, serves as our primary objective and roadmap for the next phase. We consistently refined our comprehensive risk management system, conducted a rechecking and reorganization, compiled a description of the risk-related regulatory framework, and consolidated it into a code of regulations, thereby strengthening the foundation of our risk management infrastructure. The Group clarified its annual risk appetite, established risk management strategies aligned with its key business priorities, and proactively planned near-medium and long-term risk control objectives and practical measures, while reinforcing the implementation of the Group’s risk appetite. The Group improved the risk indicator, limit and early warning management system, upgraded the functionality of the risk early warning system, strengthened monitoring capabilities, and achieved early risk identification, warning and resolution. The Group improved the stress testing mechanism, assessed the Group’s risk tolerance, promoted the implementation of risk improvement measures, and effectively incorporated stress testing results into various operational management decisions. The Group continued to implement capital management requirements, advanced the construction of a risk-weighted asset measurement system, achieving full automation and informatisation of risk capital measurement, thereby enhancing the accuracy and timeliness of capital reporting. Furthermore, the Group optimised its rating models and management systems, aiming to bespeak a credit rating system tailored to the Group’s business characteristics and covering all major business areas, which provides key reference criteria for customer admission.

5.1 Credit Risk

Credit risk refers to the risk of loss suffered by the Group due to the failure of fulfilment of contractual obligations by counterparties when due. Credit risk is currently the major risk faced by the Group. In 2025, the Group generally maintained a “moderate” risk appetite for credit risk.

In 2025, the Group strictly adhered to the risk bottom line, strengthened risk analysis and control, coordinated the resolution of key non-performing and risky items, conducted specialised risk checks on the existing businesses, and enhanced the foresight, timeliness and predictability of credit risk control.

The following table sets forth the Group’s maximum credit risk exposure before collateral held and other credit enhancement as at the dates indicated:

<i>(RMB in millions)</i>	As at 31 December	
	2025	2024
Financial assets		
Cash and bank balances	61,820.3	43,670.6
Financial assets at fair value through profit or loss	150.1	110.4
Derivative financial assets	1,493.8	437.9
Accounts receivable	683.1	624.7
Finance lease receivables	206,577.3	202,099.6
Other financial assets	2,823.7	2,311.8
	<hr/>	<hr/>
Total	<u>273,548.3</u>	<u>249,255.0</u>

5.1.1 Asset Quality

The Group evaluates asset quality and adjusts asset categories quarterly based on the asset risk degree, and adopts measures to mitigate risks for the projects with overdue rent and material risks in a timely manner. The Group conducted asset classification in accordance with the issued the Measures for the Risk Classification of Financial Assets of Commercial Banks by the NFRA. In addition, the Group formulated the financial assets impairment policies in accordance with the statutory requirements relating to the asset quality classification of the banking industry in China, international accounting standards and the accompanying guidance.

The following table sets forth the distribution of the Group's total assets by the five-category asset quality classification as at the dates indicated:

	As at 31 December	
<i>(RMB in millions, except percentages)</i>	2025	2024
Five-category		
Normal	269,822.8	244,677.6
Special mention	11,195.9	11,954.8
Substandard	411.4	268.3
Doubtful	850.0	1,046.9
Loss	1,538.1	1,038.8
Uncategorised ⁽¹⁾	166,259.8	163,033.6
Total assets before allowance for impairment losses	450,078.0	422,020.0
Non-performing assets ⁽²⁾	2,799.5	2,354.0
Non-performing asset ratio ⁽³⁾	0.62%	0.56%

⁽¹⁾ The Group has only classified the risk of relevant assets exposed to credit risk on and off-balance sheet in accordance with the relevant provisions of the Measures for the Risk Classification of Financial Assets of Commercial Banks, including but not limited to finance lease receivables, bonds and other investments, interbank assets and accounts receivable (including operating lease receivables, advances for finance lease projects and other accounts receivable); and no such classification is required for financial assets in the trading books and related assets derived from derivatives transactions, or for non-financial assets (e.g., property and equipment and investment properties).

⁽²⁾ Non-performing assets are defined as the last three categories of assets recognised under the five-category asset quality classification standards, including the assets under “substandard”, “doubtful” and “loss”.

⁽³⁾ Non-performing asset ratio is the percentage of non-performing assets over total assets before allowance for impairment losses as at the dates indicated.

The following table sets forth the distribution of the Group’s finance lease related assets portfolio by the five-category asset quality classification standards as at the dates indicated:

	As at 31 December	
<i>(RMB in millions, except percentages)</i>	2025	2024
Five-category		
Normal	204,711.1	198,027.3
Special mention	10,764.4	11,667.0
Substandard	349.4	215.4
Doubtful	850.0	916.2
Loss	1,096.7	551.6
	<u>217,771.6</u>	<u>211,377.5</u>
Finance lease related assets before allowance for impairment losses		
	217,771.6	211,377.5
Non-performing finance lease related assets ⁽¹⁾	2,296.1	1,683.2
Non-performing asset ratio of finance lease business ⁽²⁾	1.05%	0.80%

⁽¹⁾ Non-performing finance lease related assets are defined as the last three categories of finance lease related assets recognised under the five-category asset quality classification standards, including the assets under “substandard”, “doubtful” and “loss”.

⁽²⁾ Non-performing asset ratio of finance lease business is the percentage of non-performing finance lease related assets over finance lease related assets before allowance for impairment losses as at the dates indicated.

As at 31 December 2025, the non-performing assets of the Group amounted to RMB2,799.5 million, representing an increase of RMB445.5 million compared with that as at the end of last year, while the non-performing asset ratio was 0.62%, representing an increase of 0.06 percentage point compared with that as at the end of last year. As at 31 December 2025, the non-performing finance lease related assets amounted to RMB2,296.1 million, representing an increase of RMB612.9 million compared with that as at the end of last year, while the non-performing asset ratio of finance lease business was 1.05%, representing an increase of 0.25 percentage point compared with that as at the end of last year. In the context of ever-increasing pressure on risk prevention and control, the Group, in terms of new business, focused on its core responsibilities and main businesses, strictly adhered to the principles of industry selection and client screening to manage risk from the source. For the existing business, the Group mitigated risks at various stages of the post-leasing management, collateral management and entire business process, thereby strengthening credit risk management.

The following table sets forth the distribution of the Group's finance lease related assets portfolio by business segments and the five-category asset quality classification standards as at 31 December 2025:

<i>(RMB in millions, except percentages)</i>	Aircraft leasing	Ship leasing	Energy leasing	High-end equipment leasing	Inclusive finance	Others	Total
Five-category							
Normal	930.2	16,165.3	76,376.4	68,277.4	26,722.6	16,239.2	204,711.1
Special mention	-	270.3	1,855.7	2,254.2	2,332.0	4,052.2	10,764.4
Substandard	-	-	342.3	-	7.1	-	349.4
Doubtful	-	-	-	327.3	1.0	521.7	850.0
Loss	-	-	246.9	479.0	-	370.8	1,096.7
Finance lease related assets before allowance for impairment losses	<u>930.2</u>	<u>16,435.6</u>	<u>78,821.3</u>	<u>71,337.9</u>	<u>29,062.7</u>	<u>21,183.9</u>	<u>217,771.6</u>
Non-performing finance lease related assets	-	-	589.2	806.3	8.1	892.5	2,296.1
Non-performing asset ratio of finance lease business	-	-	0.75%	1.13%	0.03%	4.21%	1.05%

The following table sets forth the distribution of the Group's finance lease related assets portfolio by business segments and the five-category asset quality classification standards as at 31 December 2024:

<i>(RMB in millions, except percentages)</i>	Aircraft leasing	Ship leasing	Energy leasing	High-end equipment leasing	Inclusive finance	Others	Total
Five-category							
Normal	635.3	18,311.9	50,932.1	79,266.5	20,918.2	27,963.3	198,027.3
Special mention	-	-	1,314.7	1,857.4	3,730.7	4,764.2	11,667.0
Substandard	-	-	215.4	-	-	-	215.4
Doubtful	-	-	-	92.6	-	823.6	916.2
Loss	-	-	67.5	479.0	5.1	-	551.6
Finance lease related assets before allowance for impairment losses	<u>635.3</u>	<u>18,311.9</u>	<u>52,529.7</u>	<u>81,695.5</u>	<u>24,654.0</u>	<u>33,551.1</u>	<u>211,377.5</u>
Non-performing finance lease related assets	-	-	282.9	571.6	5.1	823.6	1,683.2
Non-performing asset ratio of finance lease business	-	-	0.54%	0.70%	0.02%	2.45%	0.80%

As at 31 December 2025, the assets of the Group's assets of finance lease projects from the existing aircraft leasing segment and the ship leasing segment were of good quality; the amount of non-performing assets and the ratio of non-performing assets of the energy leasing segment, the high-end equipment leasing segment, the inclusive finance segment and the others segment increased as compared with those of the end of last year. The Group has maintained a relatively good level of risk management ability and risk mitigation ability.

On the basis of the expected credit loss ("ECL") model, the Group divided the credit level changes of finance lease related assets into the following three stages:

- Stage 1: Subsequent to initial recognition, the finance lease receivables without significant increase in credit risk were classified in this stage. For such finance lease receivables, the ECL in the next 12 months will be recognised;
- Stage 2: Subsequent to initial recognition, the finance lease receivables with significant increase in credit risk but without objective evidence of impairment were classified in this stage. For such finance lease receivables, the ECL will be measured over the whole period;
- Stage 3: The finance lease receivables with objective evidence of impairment were classified in this stage. For such finance lease receivables, the ECL will be measured over the whole period.

With the ECL model and the above division of credit levels, the Group's net finance lease related assets and its balance of allowance for impairment losses as at 31 December 2025 are set forth below:

<i>(RMB in millions)</i>	Stage 1	Stage 2	Stage 3	Total
Net finance lease related assets	186,702.1	28,773.4	2,296.1	217,771.6
Allowance for impairment losses of finance lease related assets	3,104.0	6,153.8	1,936.5	11,194.3

With the ECL model and the above division of credit levels, the Group's net finance lease related assets and its balance of allowance for impairment losses as at 31 December 2024 are set forth below:

<i>(RMB in millions)</i>	Stage 1	Stage 2	Stage 3	Total
Net finance lease related assets	178,745.7	28,644.2	3,987.6	211,377.5
Allowance for impairment losses of finance lease related assets	2,762.0	4,595.3	1,920.6	9,277.9

The following table sets forth the classification of overdue finance lease receivables of the Group as at the dates indicated:

<i>(RMB in millions)</i>	As at 31 December	
	2025	2024
Neither overdue nor impaired	211,994.0	201,551.6
Overdue but not impaired	3,481.5	5,838.3
Impaired	2,296.1	3,987.6
	217,771.6	211,377.5
Less: allowance for impairment losses	(11,194.3)	(9,277.9)
Total	<u>206,577.3</u>	<u>202,099.6</u>

5.1.2 Concentration of Credit Risks

The Group proactively implemented the requirements of the regulatory authorities and timely monitored the financing concentration of a single client through project inspection, and at the same time, the Group has established a client's ledger to carry out quarterly monitoring over the financing concentration of clients of the Group in order to prevent credit concentration risk. As at 31 December 2025, the balance of finance lease businesses for the largest single client of the Group accounted for 10.06% of the net capital while the balance of finance lease businesses for the largest single group client accounted for 16.00% of the net capital.

The following table sets forth the degree of concentration of single client and single group client of the Group as at the dates indicated:

Concentration indicator	As at 31 December	
	2025	2024
Degree of concentration of single client financing ⁽¹⁾	10.06%	11.02%
Degree of concentration of single group client financing ⁽²⁾	16.00%	18.15%

⁽¹⁾ Calculated by dividing the balance of all finance lease business of a single lessee of the Group by the net capital of the Group at the end of the previous quarter.

⁽²⁾ Calculated by dividing the balance of all finance lease business of a single group of the Group by the net capital of the Group at the end of the previous quarter.

As at 31 December 2025, calculated in terms of finance lease related assets before allowance for impairment losses, the total balance from the top ten single clients amounted to RMB24,120.0 million, accounting for 11.08% of finance lease related assets.

The following table sets forth the finance lease related assets before allowance for impairment losses from the top ten clients of the Group as at 31 December 2025:

<i>(RMB in millions, except percentages)</i>	Business segment	Balance	Percentage of finance lease related assets before allowance for impairment losses
Client A	Ship leasing	4,784.6	2.20%
Client B	High-end equipment leasing	3,637.6	1.67%
Client C	Others	3,005.6	1.38%
Client D	High-end equipment leasing	2,073.9	0.95%
Client E	High-end equipment leasing	2,034.6	0.93%
Client F	High-end equipment leasing	1,951.8	0.90%
Client G	Inclusive finance	1,726.6	0.79%
Client H	High-end equipment leasing	1,723.1	0.79%
Client I	Others	1,646.5	0.76%
Client J	Others	1,535.7	0.71%
Total		<u>24,120.0</u>	<u>11.08%</u>

If lessees are overly concentrated in a single industry or region, or have similarities in economic features, the credit risks of the lessor would be relatively higher. As the industrial distribution of finance lease receivables of the Group is rather diversified, there is no significant risk on industrial concentration.

The following table sets forth the industrial distribution of net amount of finance lease receivables of the Group as at the dates indicated:

<i>(RMB in millions, except percentages)</i>	As at 31 December			
	2025		2024	
	Amount	Percentage	Amount	Percentage
Aircraft leasing	930.2	0.4%	635.3	0.3%
Ship leasing	16,435.6	7.5%	18,311.9	8.7%
Energy leasing	78,821.3	36.2%	52,529.7	24.9%
High-end equipment leasing	71,337.9	32.8%	81,695.6	38.6%
Inclusive finance	29,062.7	13.3%	24,654.0	11.7%
Others	21,183.9	9.8%	33,551.0	15.8%
Total	<u>217,771.6</u>	<u>100.0%</u>	<u>211,377.5</u>	<u>100.0%</u>

5.2 Market Risk

Market risk represents the risk of loss to the Group as a result of unfavorable changes in market prices. The main types of market risk to which the Group is exposed include interest rate risk and exchange rate risk. In 2025, the Group generally maintained a “moderate” risk appetite for market risk.

5.2.1 Interest Rate Risk

Interest rate risk refers to the risk of losses in the Group’s overall income and economic value resulting from adverse movements in interest rates, maturity structure and other factors. The Group is exposed to interest rate risk mainly from the repricing risk of assets and liabilities.

The Group maintains a moderate interest rate risk management strategy, closely tracks market changes and continuously improves its risk management analysis structure and management approach. The Group measures the impact of changes in interest rate on the Group’s operations mainly through tools such as exposure analysis and sensitivity analysis, and controls interest rate risk through active management of asset and liability repricing periods and hedging of derivative financial products.

The majority of rental income from RMB-denominated leasing business of the Group floats with the Loan Prime Rate published by the PBOC, while liabilities mainly bear a fixed interest rate. For this particular situation, the Group proactively matches the duration of RMB-denominated assets with that of RMB-denominated liabilities to reduce interest rate risk.

The Group mainly receives fixed rental income under operating leases in foreign currencies while the bank borrowings mainly bear floating rate interests. The Group reduced its liability exposure of floating interest rate denominated in US dollar mainly through issuance of fixed-rate bonds, switched the borrowings with floating rate into fixed rate through interest rate swap contracts and hedged the cash flow volatility risk due to fluctuation of the liability interest rate by using hedging strategies, so as to effectively match the future fixed rental income and stabilise the interest rate margins while mitigating the impact of fluctuation in interest rates of US dollars on the operating results of the Group.

5.2.2 Foreign Exchange Risk

Foreign exchange risk refers to the risk of losses in the Group's overall income and economic value resulting from an adverse movement in foreign exchange rates. The foreign exchange risk of the Group is mainly the US dollar exposures arising from foreign currencies-denominated profits realised by its aircraft and ship leasing businesses.

The strategy for foreign exchange risk management of the Group is to proactively match the currencies of assets and liabilities in daily operations, to identify and measure the impact of exchange rate changes on operations through foreign currency exposure analysis, exchange rate sensitivity analysis and other instruments, and to hedge foreign exchange risk from exposure which affects profit or loss through financial derivatives.

Most of the aircraft and ships under the operating lease and finance lease business of the Group are purchased and denominated in US dollars and the corresponding operating lease assets and finance lease receivables are denominated in US dollars, the major funding sources of which are onshore and offshore US dollar-denominated bank borrowings and US dollar-denominated bonds, as well as some RMB-denominated borrowings utilising derivative financial instruments to hedge foreign exchange risk exposure. Apart from aircraft leasing and ship leasing businesses, other leasing businesses of the Group are substantially denominated in Renminbi. Hence, there is no significant foreign exchange risk exposure.

As at the end of 2025, the Group has no foreign exchange risk exposure in US dollar against Renminbi that could significantly affect future profit or loss. The Group effectively managed the foreign exchange risk through exposure monitoring and analysing, spot exchange settlement, purchase and financial derivative hedging and other means, and controlled the impact of exchange rate fluctuations on the Group's profits within a certain range.

5.3 Liquidity Risk

Liquidity risk refers to the risk that the Group is unable to obtain funds at a reasonable cost to repay the liabilities or seize other investment opportunities. The target of the Group's liquidity risk management is to maintain moderate liquidity reserves and sufficient funding resources to adequately meet the repayment needs of matured liabilities and the funding needs of business development, and to achieve a higher interest rate margins level and control the liquidity management costs on conditions that liquidity risks have been well managed. In 2025, the Group generally maintained a "moderate" risk appetite for liquidity risk.

The Group managed liquidity risk and struck a balance between interest rate spread and liquidity risk through the following measures: on the premise of meeting the regulatory liquidity indicator requirements, the Group actively managed asset-liability term portfolio and controlled cash flow mismatch gap to reduce structural liquidity risk. The Group established a diversified source of funds through the reserves of sufficient credit, continued to enhance the level of money market transactions, and enhanced the Group's financing and day-to-day liquidity management capabilities to obtain sufficient funds to meet debt repayment and business development needs. The Group used highly liquid assets including bank deposits as its main liquidity reserves to ensure that liquidity reserves can fully mitigate liquidity risks.

As at 31 December 2025, the Group had an interbank borrowing and lending limit of RMB12,642.0 million. In addition, the Group strived to improve its trading capacity in the money market, especially improvement in the online financing capacity, and accumulated interbank borrowing (including bond collateral repo) amounted to RMB43,826.2 million in 2025. According to the market liquidity situation, the Group arranged financing plans in a reasonable and orderly manner, further optimised the liquidity management mechanism, and gradually optimised the liquidity reserve system to achieve sound liquidity situation and further enhance the liquidity risk management capability.

5.4 Other Risks

5.4.1 Operational Risk

Operational risk refers to the risk of losses resulting from imperfect or problematic internal process, personnel and system or external events. In 2025, the Group generally maintained a "prudent" risk appetite for operational risk.

In 2025, the Group attached great importance to operational risk management and continued to exert the effectiveness of institutional regulations. First, the Group continuously refined its operational risk management system, improved its internal control management system, established a system pre-review mechanism, and had the systems implemented in detail from prior reporting, hierarchical positioning, textual norms, review process confirmation, system authorisation setting and other aspects. As at the end of 2025, the Group's current effective mechanism covered 15 categories, including corporate governance, administration, human resources and business operations, which has effectively promoted the deep integration of external regulatory requirements with the Group's internal governance, further strengthening the institutional foundation for the Group's operational risk management. Second, the Group optimised operational risk management methods and tools. The Group carried out operational risk identification and assessment at regular intervals, had 15 key operational risk indicators set in place, and conducted quarterly monitoring of key operational risk indicators to reveal the Group's operational risk in a timely manner. Third, the Group created an operational risk loss database. On this basis, the Group has established and refined its management of operational risk management ledgers, so as to record and archive the loss-related data and information on operational risk incidents effectively, identify and collect such historical loss data, and incorporate the loss data into the calculation of operational risk capital requirements. Fourth, operational risk was reduced through digital empowerment. The Group continued to accelerate the construction of its information system and improve the underlying data warehouse, and upgraded and reconstructed functional modules of the existing system. The Group optimised its business approval process, and comprehensively increased its system support for business, thereby minimising operational risks to a large extent through technological means. In 2025, the Group did not experience any significant operational risk events.

5.4.2 Information Technology Risks

Information technology risks refer to the risks of operation, law and reputation arising from natural and human factors, technical loopholes and management flaws in the working of information technology. The Group's IT risks mainly arise from information system development and construction, IT operations, information security management, IT outsourcing, etc. In 2025, the Group generally maintained a "moderate" risk appetite for IT risks.

In 2025, the Group's information systems operated stably overall, with all IT risk monitoring indicators within normal ranges. Guided by the Group's 14th Five-Year Plan for IT, we continued to strengthen our IT risk management capabilities. Firstly, we enhanced our information security and data security management capabilities by implementing comprehensive data governance, refining the classification and grading of data security, continuously optimising the information security management system, and further strengthening the technical framework for security defences. Secondly, we strengthened business continuity management by conducting assessments of critical business operations and emergency drills for key application systems, whilst continuously improving the IT infrastructure and application operations and maintenance frameworks. Thirdly, we reinforced the management of IT outsourcing risks by continuously strengthening the management of outsourcing suppliers, refining the admission and evaluation processes for IT outsourcing suppliers, and conducting emergency drills for service interruptions in outsourced projects. In 2025, the Group did not experience any significant IT risk events.

5.4.3 Reputational Risk

Reputational risk refers to the risk of negative evaluation of the Group by stakeholders, the public and the media as a result of the actions of the organisation, the behaviour of its employees or external events, which may damage the Group's brand value, adversely affect the normal operation of the Group, or even affect market stability and social stability. Reputational risk is an important component of corporate governance and comprehensive risk management system. In 2025, the Group generally maintained a "prudent" risk appetite for reputation risk.

In 2025, the Group continued to strengthen reputational risk management, closely monitored, proactively analysed and provided positive guidance, and actively carried out reputational risk prevention and control and brand image building. First, in accordance with relevant regulatory and reputational risk management requirements of the Group, we normalised the construction of reputation risk prevention and control capabilities, strengthened reputational risk self-examinations, troubleshooting and reputational risk hazard assessments, and arranged training sessions on reputational risk control. Second, the Group conducted around-the-clock public opinion monitoring of major media through professional institutions, dynamically adjusted the scope of public opinion monitoring as needed, strengthened early warning, prevented in advance, and corrected errors in a timely manner. Third, the Group carried out special public opinion monitoring and response arrangements for important time points and important matters, formulated response plans in advance, and strengthened emergency drills. Fourth, faced with the market coverages that may affect the normal operation of the Company, the Group responded to market concerns in time and prevented false reports and negative public opinions by reinforcing the communication with the Hong Kong Stock Exchange, issuing clarification announcements and communicating corrections in a timely manner, so as to prevent market misinformation and ensure the stability of our share price. Fifth, the Group intensified its efforts to protect consumer rights and interests, increased its promotional efforts in consumer rights protection, set up a WeChat public account for passenger vehicle business serving consumer sector, closely followed and timely resolved user demands and queries, and reduced the risk of consumer complaints and public opinions. Sixth, the Group actively engaged in market communication, showcasing our operational performance and responding promptly to market concerns. Seventh, the Group continuously promoted the construction of its market brand image, strengthened communication with domestic and foreign mainstream media, actively demonstrating that the Group focused on its main responsibilities and main businesses, taking beneficial measures such as providing financial assistance to enterprises, conducting green leasing, implementing ESG practices, and enhancing operation quality and efficiency with data governance, to establish a good brand image of providing high-quality financial leasing services for economic and social development. In 2025, the Group had no significant reputational risk events.

5.4.4 Country Risk

Country risk refers to the risk that the lessees or debtors in a country or region are unable or refuse to pay their debts to the Group, or the Group suffers business losses in the country and region, or the Group is subject to other losses, due to political and social changes and events in the country or region. In 2025, the Group generally maintained a “moderate” risk appetite for country risk.

In 2025, the Group continued to strengthen country risk management. Firstly, we continued to monitor and assess the international situation, and organised multiple thematic analysis sessions on the global economy, international finance and geopolitics, thereby proactively strengthening our assessment of overseas risks. Secondly, we have optimised our country risk management framework by revising and issuing the Country Risk Management Measures and their implementing rules. Thirdly, we have refined our country risk measurement approaches, taking into full account the impact of country risk on asset quality, and regularly conducted reserve provision work for country risk. Fourthly, we strengthened the management of country risk limits, formulated the latest country limits and regularly monitored their utilisation. Fifthly, we enhanced country risk assessments by conducting country risk stress tests and evaluations of key country risks, and carried out specialised country risk investigations based on the Group's international business operations. In 2025, the Group had no significant country risk events.

Due to developments in the Middle East's geopolitical tensions since February 2026, certain aircraft and ship leasing business operations of the Group in relevant regions are subject to uncertainties. The Group promptly initiated a risk screening exercise for its overseas operations, monitored the operational status of its assets in a timely manner, and formulated contingency plans to address potential developments. As at the date of this announcement, the operational status of relevant assets remained generally normal. The Group will continue to maintain close monitoring of developments in the Middle East, promptly adjust its contingency plans and take necessary mitigating measures.

6. CAPITAL MANAGEMENT

The Group's major objectives of capital management activities are to maintain a reasonable level of capital adequacy ratio to meet the requirements of capital regulations and policies, safeguarding the ability of sustainable operation to continuously provide returns for Shareholders, and maintaining a strong capital base to support its business development. In accordance with relevant regulatory requirements promulgated by the NFRA, capital adequacy ratio, gearing ratio and the utilisation of regulatory capital are closely monitored by the management of the Group.

In 2025, in accordance with the relevant requirements of the Administrative Measures for the Capital of Commercial Banks, the Group continued to consolidate the foundation of capital management and improve the quality and efficiency of capital management. First, we further improved the capital management mechanism by conducting internal capital adequacy assessments, submitting regulatory reports and disclosing relevant information in accordance with regulatory requirements, thereby continuously enhancing the precision of our capital management. Second, we expedited the building of the risk-weighted assets measurement system to enhance the timeliness and accuracy of capital measurement. Third, we formulated the Capital Management Plan of CDB Leasing for 2025-2027, ensuring the coordinated balance of capital across all entities to improve capital utilisation efficiency and return levels. Fourth, we coordinated the redemption and reissue of Tier 2 capital bonds to safeguard the stability of the Company's capital and further consolidate its capital base. Fifth, we expedited the US\$860 million capital increase to our subsidiary CDB Aviation, the resolution of which has been deliberated and approved by the Board and at the second extraordinary general meeting of 2025 of the Company held on 17 November 2025, subject to the approval of the NFRA Shenzhen Office. In 2025, capital adequacy ratio of the Group maintained at a sound and reasonable level, and various management measures were further implemented.

As at 31 December 2025, the Group's core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio were 11.11%, 11.11% and 13.16%, respectively, all exceeding regulatory requirements.

The following table sets forth the net capital and capital adequacy ratio of the Group as at the dates indicated:

<i>(RMB in millions, except percentages)</i>	Regulatory requirement	As at 31 December	
		2025	2024
Net capital:			
Net core tier-one capital		43,830.1	40,328.8
Net tier-one capital		43,830.1	40,328.8
Net capital		51,917.3	49,804.5
Capital adequacy ratio:			
Core tier-one capital adequacy ratio	≥7.5%	11.11%	10.49%
Tier-one capital adequacy ratio	≥8.5%	11.11%	10.49%
Capital adequacy ratio	≥10.5%	13.16%	12.95%

7. CAPITAL EXPENDITURES

The capital expenditures of the Group principally comprise capital expenditures for the purchase of ship and aircraft leasing assets, and property and equipment, etc. In 2025, the capital expenditures of the Group amounted to RMB18,378.3 million, which were mainly used for the purchase of ships and aircraft. The Group financed the capital expenditures through cash from operating activities, bank borrowings and global offering of bonds.

The following table sets forth the capital expenditures of the Group for the years indicated:

<i>(RMB in millions)</i>	For the year ended 31	
	December	
	2025	2024
Capital Expenditures	<u>18,378.3</u>	<u>21,817.2</u>

8. PLEDGE OF ASSETS

As at 31 December 2025, equipment held for operating lease businesses (net), finance lease receivables (net) and deposits amounting to RMB36,187.3 million, RMB3,733.7 million and RMB29,854.3 million respectively, were pledged to banks for bank borrowings and long-term payable. The total collateral assets as aforesaid accounted for 16.1% of total assets.

9. HUMAN RESOURCES

The Group has always been committed to providing a wide range of development opportunities for employees and creating “a platform for entrepreneurship and a stage for self-realisation”. The Group adheres to a people-oriented approach, establishing the principle that talent is the foremost resource for the Group’s development, and that human resource management is the Group’s core competitiveness. We adhere to the market orientation, and establishing a perfect and efficient organisational structure and effective incentive and restraint mechanism. Adhering to the principles of integrity and innovation, we explore modern, scientific and professional paths for human resources management in state-owned financial enterprises, and promote the further implementation of the Group’s human resource management reform measures.

As at 31 December 2025, there was a total of 612 full-time employees (including senior management) providing related services to the Group, of which 346 were male and 266 were female, with a gender ratio of 56.5% and 43.5% respectively. The Group has a team of high-quality talents, with approximately 93% of the employees holding bachelor’s degrees or above.

The Group has implemented the concepts of prudent operation and sustainable development, established a complete and prudent remuneration management system. The remuneration of staff is composed of fixed salary and variable salary, and the fixed salary and variable salary are set in a certain proportion. The fixed salary level depends on the value of the position and the employee's ability to perform his or her duties, and the variable salary is determined according to the staff's strategic execution, performance, appraisal level and integrity assessment for the year, and is fully linked to the risk cost control and compliance management capabilities. The Group's remuneration systems were formulated and implemented through internal decision-making processes, and the Group implemented its remuneration management in accordance with the systems in 2025, and reported to the Board of Directors on remuneration management (including the implementation of the total salaries). The Group has established a deferred payment and recovery mechanism for performance-based remuneration to ensure that the payment of remuneration is in line with the risk management and control requirements. During the Reporting Period, the Group has, in accordance with the relevant measures, deducted, stopped or recovered the corresponding performance-based remuneration from employees who have been subject to disciplinary sanctions or other actions due to non-compliance with regulations and disciplinary actions or extraordinary exposure to risks and losses in their duties. The Group has established a comprehensive welfare and security system, with statutory benefits being implemented in line with national regulations and standards, and the benefits include supplemental medical insurance, enterprise annuity, paid leave, health check-ups and other benefits.

The Group has formulated its employee training program year by year, covering areas such as digital and intelligent transformation empowerment, macroeconomic conditions, specialised business, asset valuation, review management, audit practice, legal compliances, financial management, young staff cultivation and integrated management, with an aim of continuously improving the employees' professional skills and overall competencies. The Group launched the learning and education activities to thoroughly implement the spirit of the Central Committee of the Communist Party of China's eight-point frugality code, and invited experts and professors from the Party school to provide on-site guidance. In 2025, the Group constantly enhanced the professionalism building of its team consisting of cadres, supported and advanced the capacity enhancement objectives and learning and practice paths actually proposed by units of front, middle and back offices combined with their respective business sector, and organised 186 training sessions. In particular, we have organised over eight specialised training sessions on topics such as artificial intelligence, intelligent risk control and green logistics, with a focus on "digital empowerment", and have selected staff to participate in the "Shenzhen-Hong Kong-Macao FinTech Practitioner" certification programme. Focusing on the training of young staff, the Group organised young staff who joined the Group in the past two years to participate in the China Development Bank's research-based learning program. Participants completed research projects and reports on cultural and technological themes (and was therefore honoured as an "Outstanding Project Research Team"), so as to keep enhancing their investigation and research skills.

10. INDUSTRIAL REGULATIONS

In 2025, the NFRA, centring on the key priorities of risk prevention, regulation strengthening and the promotion of high-quality development, continued to guide financial leasing companies to focus on their core responsibilities and main business, harness their distinctive financial functions, conduct financial leasing business in a compliant manner, and enhance their capacity and standards for serving the high-quality development of the real economy. Meanwhile, the NFRA accelerated the refinement of financial regulatory legislation, continued to strengthen the “Five Major Lines of Supervision”, improved the quality and efficiency of tiered and categorised supervision, and further deepened its rigorous and strict supervision.

Regarding the issuance of key regulatory policies for this sector, in January 2025, the NFRA revised and issued the Measures for the Supervision and Rating of Financial Leasing Companies, thereby further refining the regulatory framework for financial leasing companies, enhancing the quality and efficiency of tiered and categorised supervision, and guiding financial leasing companies to strengthen risk management and internal controls to prevent financial risks. In September 2025, the NFRA issued the Measures for the Supervision and Evaluation on Consumer Rights Protection by Financial Institutions, which served to improve the conduct supervision framework and guide and urge financial institutions to embed all requirements for the protection of financial consumers’ rights and interests into every stage and the entire process of their business operations. In December 2025, the NFRA issued the Administrative Measures Governing Financing Lease Business of Financial Leasing Companies, which focus on the distinctive features of financial leasing companies’ financing lease business, adapt to the actual development of the industry and regulate the operational conduct of financial leasing companies to prevent and control business risks. Overall, with the ongoing reform of the financial regulatory system and the continuous improvement of financial regulatory legislation, supervision over the financial leasing industry has progressively exhibited characteristics of clarity in overarching framework, thorough implementation of detailed rules, and well-defined direction. This has promoted standardisation and differentiation within the industry, driving it to return to the fundamental purpose of “asset leasing” and to provide specialised, distinctive services for the high-quality development of the real economy.

During the Reporting Period, the Group gained a thorough understanding of the latest regulatory landscape, focused closely on the “five major areas” of finance, and continued to deepen its compliance transformation and upgrading, endeavouring to play a greater role in serving national strategies and supporting the high-quality development of the real economy.

The following table sets forth the main regulatory indicators of the Group under the supervision of the NFRA as at the date indicated:

	Regulatory requirement	As at 31 December 2025
Capital adequacy ratio	Not less than 10.5%	13.16%
Tier-one capital adequacy ratio	Not less than 8.5%	11.11%
Core tier-one capital adequacy ratio	Not less than 7.5%	11.11%
Degree of concentration of single client financing	Not more than 30%	10.06%
Degree of concentration of single group client financing	Not more than 50%	16.00%
Ratio of a single related client ⁽¹⁾	Not more than 30%	0.01%
Ratio of all related parties ⁽²⁾	Not more than 50%	0.01%
Ratio of a single related Shareholder ⁽³⁾	Not more than 100%	0.04%
Ratio of interbank lending ⁽⁴⁾	Not more than 100%	4.59%
Ratio of allowance to non-performing finance lease related assets	Not less than 100%	487.54%
Ratio of fixed-income investments ⁽⁵⁾	Not more than 20%	0.32%
Gearing ratio ⁽⁶⁾	Not less than 6%	10.02%
Provision ratio to finance lease related assets ⁽⁷⁾	Not less than 2.5%	5.14%
Liquidity ratio ⁽⁸⁾	Not less than 25%	71.22%
Liquidity coverage ratio ⁽⁹⁾	Not less than 100%	126.13%
Financial leverage ratio ⁽¹⁰⁾	Not more than 10 times	9.86 times

(1) Calculated by dividing the balance of all finance lease transactions of the Group to a single related party by the net capital of the Group.

(2) Calculated by dividing the balance of all finance lease transactions of the Group to all related parties by the net capital of the Group.

(3) Calculated by dividing the balance of financing of the Group to a single Shareholder and all its related parties by the amount of contribution made by the Shareholder to the Group.

(4) Calculated by dividing the balance of interbank funds from borrowing by the net capital of the Group.

(5) Calculated by dividing the balance of fixed-income investments made by the Group by the net capital of the Group.

(6) Calculated by dividing the Group's net tier-1 capital by the Group's adjusted on and off-balance sheet asset balances.

(7) Calculated by dividing allowance for impairment losses on finance lease related assets by finance lease related assets before allowance for impairment losses.

(8) Calculated as the balance of the Group's liquid assets divided by the balance of its liabilities.

(9) Calculated as the Group's high quality liquid assets divided by the total net liquidity outflows over 30 days.

(10) Calculated as the Group's total assets divided by its net assets.

11. PROSPECTS

Internationally, in January 2026, the International Monetary Fund (IMF) published an update to its World Economic Outlook Report, noting that the global economy remained stable amidst diverging forces. It projected that the global economy would grow by 3.3% in 2026, an upward revision of 0.2 percentage point from its forecast made in October last year, primarily due to improved performance in economies such as the United States and China. The World Bank raised its 2026 global economic growth forecast to 2.6% in its latest Global Economic Outlook Report, an increase of 0.2 percentage point from its forecast made in June 2025. The report indicates that factors such as tariff shocks, escalating protectionism, geopolitical tensions and heightened fiscal vulnerabilities still exert downward pressure on the global economy. However, the accelerating penetration of the real economy by technological revolutions, exemplified by artificial intelligence, coupled with corporate investment priorities focused on technological innovation and green transition, are fostering new economic growth drivers and building momentum for a new cycle of global economic growth.

Domestically, the State Council Information Office of the PRC indicated that 2026 marks the inaugural year of China's 15th Five-Year Plan. Despite deepening impacts from changes in the external environment and challenges affecting stable domestic development, China's economic foundations remain solid, possesses numerous advantages, strong resilience and great potential; the underlying conditions and fundamental trends supporting its long-term positive growth remain unchanged. Overall, opportunities outweigh challenges, and favourable conditions prevail over unfavourable factors. Consequently, there are sound conditions and solid foundations for China's economy to maintain a stable and positive trajectory in 2026.

In 2026, the Group will continue to focus on its core responsibilities and main business lines, proactively align its services with national development strategies, adhere to a prudent business philosophy, and concentrate on the needs of the real economy and areas prioritised under the "five major areas" of finance, whilst deepening its engagement in sectors where it holds a competitive advantage. Meanwhile, we will strictly adhere to risk management principles, actively prevent and mitigate all types of potential risks, and strengthen the foundations of internal control and compliance management. We will earnestly create long-term sustainable value for shareholders, customers and society, and take robust steps to lay a solid foundation for the Group's high-quality development during the 15th Five-Year Plan period.

OTHER INFORMATION

Corporate Governance Practice

The Group is committed to maintaining high standards of corporate governance in order to safeguard the interests of Shareholders and enhance corporate value and accountability. The Company has adopted the Corporate Governance Code as its own code of corporate governance.

During the Reporting Period, the Company has continuously complied with all the applicable code provisions of the Corporate Governance Code and adopted most of the recommended best practices set out therein.

According to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Following the resignation of Mr. JIN Tao as the vice chairman, an executive Director, the president of the Company, the chairman of the Social Responsibility and Consumer Rights Protection Committee of the Board, and a member of the Remuneration Committee, the Related Party Transaction Control Committee, the Risk Management and Internal Control Committee and the Strategic Decision Committee of the Board on 18 March 2026, Ms. MA Hong, an executive Director and the Chairman, has temporarily performed the duties of the president of the Company to ensure the normal operation and management of the Company. The Company will endeavour to find suitable candidate(s) to fill the vacancies of vice chairman, executive Director, president and other positions as soon as practicable.

The Company will continue to review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code.

Changes to Directors

On 28 February 2025, Mr. LIU Xipu ceased to perform his duties as a non-executive Director and a member of the Related Party Transaction Control Committee, the Risk Management and Internal Control Committee and the Social Responsibility and Consumer Rights Protection Committee of the Board; on the same day, Mr. ZHANG Chuanhong was approved by the NFRA Shenzhen Office to serve as a non-executive Director and a member of the Related Party Transaction Control Committee, the Risk Management and Internal Control Committee and the Social Responsibility and Consumer Rights Protection Committee of the Board, and had confirmed that he has obtained the legal advice referred to in Rule 3.09D of the Listing Rules from the Company's legal advisor on 26 February 2025 and understood his obligations as a Director.

On 7 May 2025, Mr. LI Haijian resigned as an independent non-executive Director, the chairman of the Remuneration Committee and the Nomination Committee, a member of the Audit Committee, the Strategic Decision Committee, the Related Party Transaction Control Committee and the Social Responsibility and Consumer Rights Protection Committee of the Board due to his work adjustment. Due to special requirements of work arrangements, Mr. LI Haijian was unable to continue performing his duties before the official appointment of the newly elected independent non-executive Director. Following the resignation of Mr. LI Haijian, the Company failed to comply with Rule 3.10(1) of the Listing Rules requiring the board of directors of a listed issuer to include at least three independent non-executive directors, Rule 3.25 of the Listing Rules requiring the remuneration committee to be chaired by an independent non-executive director with a majority of members being independent non-executive directors, and Rule 3.27A of the Listing Rules requiring the nomination committee to be chaired by the chairman of the board of directors or an independent non-executive director.

Ms. LIU Siqin was nominated as a candidate for an independent non-executive Director at the Board meeting held on 14 July 2025. The ordinary resolution regarding the election of Ms. LIU Siqin as the new independent non-executive Director was duly passed by Shareholders at the first extraordinary general meeting of 2025 of the Company held on 31 July 2025. The Company has applied to and obtained grant from the Stock Exchange for extending the grace period to comply with Rules 3.11, 3.27 and 3.27C of the Listing Rules to 31 October 2025. On 30 October 2025, Ms. LIU Siqin was approved by the NFRA Shenzhen Office to serve as an independent non-executive Director, the chairman of the Remuneration Committee and the Nomination Committee, a member of the Audit Committee, the Related Party Transaction Control Committee, the Strategic Decision Committee and the Social Responsibility and Consumer Rights Protection Committee of the Board, and had confirmed that she has obtained the legal advice referred to in Rule 3.09D of the Listing Rules from the Company's legal advisor on 22 October 2025 and understood her obligations as a Director. Following the appointment of Ms. LIU Siqin as an independent non-executive Director and the adjustment to the composition of the relevant Board committees on 30 October 2025, the Company has re-complied with Rule 3.10(1) of the Listing Rules regarding the minimum number of independent non-executive directors, Rule 3.25 of the Listing Rules requiring the remuneration committee to be chaired by an independent non-executive director with a majority of members being independent non-executive directors, and Rule 3.27A of the Listing Rules requiring the nomination committee to be chaired by the chairman of the board of directors or an independent non-executive director with a majority of members being independent non-executive directors.

On 18 March 2026, Mr. JIN Tao resigned as the vice chairman, an executive Director, the president of the Company, the chairman of the Social Responsibility and Consumer Rights Protection Committee of the Board, and a member of the Remuneration Committee, the Related Party Transaction Control Committee, the Risk Management and Internal Control Committee and the Strategic Decision Committee of the Board due to change of work arrangements.

Model Code for Securities Transactions by Directors, Supervisors and its Relevant Employees

During the Reporting Period, the Group further amended the Code of Dealing in Securities of the Company by Directors and Senior Management Members (《董事和高級管理人員買賣公司證券守則》) as the code of conduct of the securities transactions carried out by the Directors, senior management and its relevant employees (as defined in the Listing Rules), the terms of which are not less favourable than those of the Model Code and the Articles of Association. After being specifically inquired of, all Directors and Supervisors confirmed that they have been complying with the aforesaid code and the standard requirements set out in the Model Code during the Reporting Period (for all Directors) and for the period from 1 January 2025 to 4 December 2025, being the last day prior to the date on which the Board of Supervisors ceased to exist (for all Supervisors).

Final Dividend

The Board recommended to distribute a final dividend of RMB0.9947 per 10 Shares (inclusive of tax) for the year ended 31 December 2025. The net profit of the Group for the year ended 31 December 2025 amounted to approximately RMB5,030.3 million, and the total amount of profit distribution amounted to approximately RMB1,257.5 million (inclusive of tax), which accounted for 25% of the net profit of the Group for the year 2025. In principle, payments will be made to holders of Domestic Shares in Renminbi and to holders of H Shares in Hong Kong dollars. The exchange rate of HK\$ will be the average closing price of HK\$ against RMB announced by the PBOC for the five working days prior to the date of profit distribution declaration. Such final dividend is subject to the approval of the Shareholders at the ASM, and is expected to be paid to the Shareholders within three months from the date of the ASM. Notice of the ASM will announce the date of the ASM and the related arrangement for closure of register of members as well as the payment date and the arrangement for closure of register of members for the final dividend.

Subsequent event

Save as disclosed herein, from 1 January 2026 and up to the date of this announcement, the Group had no any significant subsequent events.

Purchase, Sale or Redemption of Listed Securities

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company (including any sale of treasury Shares, if any). As at 31 December 2025, the Company did not hold any treasury Shares.

Review of Annual Results

The consolidated financial statements of the Group for the year ended 31 December 2025 were audited by BDO Limited. The audit committee of the Board has also reviewed the audited annual results of the Group for the year ended 31 December 2025. The figures in respect of the Group's results for the year ended 31 December 2025 as set out in this annual results announcement have been agreed by the auditor of the Company, BDO Limited, to be consistent with the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2025.

Arrangement for Electronic Dissemination of Corporate Communications

The Company has adopted an arrangement for the electronic dissemination of corporate communications (“**Corporate Communications**”), which refer to any documents issued or to be issued by the Company, including but not limited to (a) copies of reports of the Board of Directors, its annual accounts and auditors' reports and, where applicable, its summary financial reports; (b) interim reports and, where applicable, its interim report summaries; (c) notices of meeting; (d) listing documents; (e) circulars; and (f) proxy forms. In lieu of printed copies, all Corporate Communications in English and Chinese are only available on the Company's website (www.cdb-leasing.com) and HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk), and the Company will send Actionable Corporate Communications (as defined in the Listing Rules) to the registered H Shareholders individually by electronic means (by e-mail). To ensure timely receipt of Actionable Corporate Communications, the Company recommends Shareholders to provide their email addresses by scanning the dedicated QR code printed on the reply slip on the back page of the Shareholder notification letter, or by signing the reply slip and returning it to the Company's H Share registrar (Computershare Hong Kong Investor Services Limited). If the Company has not received a valid email address from a Shareholder, the Company will in the future send Actionable Corporate Communications in printed form until the Company's H Share registrar receives a valid email address from such Shareholder. If Shareholders wish to receive the printed version of Corporate Communications, please complete and return the reply slip in accordance with the instructions contained in the Shareholder notification letter and reply slip or send an e-mail to cbdleasing.com@computershare.com.hk, stating his/her name, address and request for a printed copy of Corporate Communications.

Publication of Annual Report

The annual report of the Company for the year ended 31 December 2025 will be published on the website of the Company (www.cdb-leasing.com) and HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) in due course.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

(Amounts in thousands of RMB, unless otherwise stated)

		Year ended 31 December	
	Notes	2025	2024
Revenue and other income			
Finance lease income	3	9,297,280	10,846,075
Operating lease income	3	<u>15,313,367</u>	<u>14,588,980</u>
Total lease income		24,610,647	25,435,055
Net investment gains		76,242	205,030
Other income, gains or losses	4	<u>3,593,152</u>	<u>2,923,022</u>
Total revenue and other income		28,280,041	28,563,107
Depreciation and amortisation		(7,745,271)	(7,102,295)
Staff costs		(533,656)	(514,692)
Fee and commission expenses		(43,372)	(55,073)
Interest expenses	5	(9,260,128)	(12,978,413)
Other operating expenses		(2,056,551)	(2,051,396)
Net impairment (losses)/reversal under expected credit loss model		(1,877,971)	355,337
Net impairment losses on other assets		<u>(310,133)</u>	<u>(213,810)</u>
Total expenses		(21,827,082)	(22,560,342)
Profit before tax		6,452,959	6,002,765
Income tax expense	6	<u>(1,422,681)</u>	<u>(1,499,777)</u>
Profit for the year attributable to owners of the Company		<u>5,030,278</u>	<u>4,502,988</u>
Earnings per share attributable to owners of the Company (expressed in RMB Yuan per share)			
– Basic	7	0.40	0.36
– Diluted	7	<u>0.40</u>	<u>0.36</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

(Amounts in thousands of RMB, unless otherwise stated)

	<i>Notes</i>	Year ended 31 December	
		2025	2024
Profit for the year		5,030,278	4,502,988
Other comprehensive losses			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Losses on financial assets at fair value through other comprehensive income (FVTOCI), net of tax		–	(854)
Gains/(losses) on cash flow hedges, net of tax		185,626	(518,131)
Currency translation differences		<u>(379,009)</u>	<u>242,938</u>
Total other comprehensive losses for the year, net of tax		<u>(193,383)</u>	<u>(276,047)</u>
Total comprehensive income for the year attributable to owners of the Company		<u>4,836,895</u>	<u>4,226,941</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

(Amounts in thousands of RMB, unless otherwise stated)

	Notes	As at 31 December	
		2025	2024
Assets			
Cash and bank balances	8	61,820,278	43,670,649
Financial assets at fair value through profit or loss (FVTPL)	9	266,330	213,910
Derivative financial assets		1,493,807	437,938
Accounts receivable	10	683,066	624,734
Finance lease receivables	11	206,577,323	202,099,637
Assets held-for-sale		1,180,818	175,805
Prepayments		12,969,741	13,535,354
Investment properties		836,512	1,058,369
Property and equipment	12	133,790,869	133,593,877
Right-of-use assets		131,515	143,192
Deferred tax assets		3,023,339	2,327,409
Other assets		10,697,895	7,969,456
Total assets		433,471,493	405,850,330
Liabilities			
Borrowings	13	326,998,557	309,814,063
Due to banks and other financial institutions		2,384,608	5,185,420
Derivative financial liabilities		236,876	856,453
Accrued staff costs		345,047	274,566
Bonds payable	14	36,064,802	27,072,912
Tax payable		841,448	466,952
Lease liabilities		160,413	160,754
Deferred tax liabilities		1,219,293	1,044,984
Other liabilities		21,245,599	20,710,467
Total liabilities		389,496,643	365,586,571

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2025

(Amounts in thousands of RMB, unless otherwise stated)

	<i>Notes</i>	As at 31 December	
		2025	2024
Equity			
Share capital		12,642,380	12,642,380
Capital reserve		2,418,689	2,418,689
Hedging and fair value reserve		55,878	(129,748)
Translation reserve		531,821	910,830
General reserve		8,683,546	8,175,006
Retained earnings		19,642,536	16,246,602
		<hr/>	<hr/>
Total equity		43,974,850	40,263,759
		<hr/>	<hr/>
Total liabilities and equity		433,471,493	405,850,330
		<hr/> <hr/>	<hr/> <hr/>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

(Amounts in thousands of RMB, unless otherwise stated)

	Attributable to the equity holders of the Company							
	Notes	Share capital	Capital reserve	Hedging and fair value reserve	Translation reserve	General reserve	Retained earnings	Total equity
As at 1 January 2025		12,642,380	2,418,689	(129,748)	910,830	8,175,006	16,246,602	40,263,759
Profit for the year		-	-	-	-	-	5,030,278	5,030,278
Other comprehensive losses for the year		-	-	185,626	(379,009)	-	-	(193,383)
Total comprehensive income for the year		-	-	185,626	(379,009)	-	5,030,278	4,836,895
Dividends	15	-	-	-	-	-	(1,125,804)	(1,125,804)
Appropriation to general reserve		-	-	-	-	508,540	(508,540)	-
As at 31 December 2025		<u>12,642,380</u>	<u>2,418,689</u>	<u>55,878</u>	<u>531,821</u>	<u>8,683,546</u>	<u>19,642,536</u>	<u>43,974,850</u>
As at 1 January 2024		12,642,380	2,418,689	389,237	667,892	7,869,271	13,294,371	37,281,840
Profit for the year		-	-	-	-	-	4,502,988	4,502,988
Other comprehensive losses for the year		-	-	(518,985)	242,938	-	-	(276,047)
Total comprehensive income for the year		-	-	(518,985)	242,938	-	4,502,988	4,226,941
Dividends	15	-	-	-	-	-	(1,245,022)	(1,245,022)
Appropriation to general reserve		-	-	-	-	305,735	(305,735)	-
As at 31 December 2024		<u>12,642,380</u>	<u>2,418,689</u>	<u>(129,748)</u>	<u>910,830</u>	<u>8,175,006</u>	<u>16,246,602</u>	<u>40,263,759</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

(Amounts in thousands of RMB, unless otherwise stated)

	<i>Notes</i>	Year ended 31 December	
		2025	2024
OPERATING ACTIVITIES			
Profit before tax		6,452,959	6,002,765
Adjustments for:			
Bonds payable interest expenses		975,019	946,719
Lease liabilities interest expenses		6,742	7,906
Depreciation and amortisation		7,745,271	7,102,295
Net impairment losses/(reversal) on financial assets		1,877,971	(355,337)
Net impairment losses on other assets		310,133	213,810
Amortisation income of lease discount liabilities		(48,127)	(39,177)
Gains on disposal of equipment held for operating lease businesses		(843,509)	(353,534)
Losses/(gains) on disposal of finance lease receivables		832	(25)
Realised gains from derivatives		(19,838)	(23,780)
Realised gains from FVTOCI		–	(164,209)
Realised gains from FVTPL		(5,981)	(17,661)
Unrealised fair value changes in derivatives		6,455	10,143
Unrealised fair value changes in FVTPL		(57,710)	(9,498)
Foreign exchange (gains)/losses from derivatives		(665,741)	1,374,066
		<hr/>	<hr/>
Operating cash flows before movements in working capital		15,734,476	14,694,483
		<hr/>	<hr/>
Decrease in mandatory reserve deposits with central bank		269,564	23,166
(Increase)/decrease in accounts receivable		(110,240)	950,709
Increase in finance lease receivables		(5,879,079)	(13,634,410)
Increase in other assets		(479,729)	(3,968,110)
Increase in borrowings		18,724,216	12,839,298
Decrease in due to banks and other financial institutions		(2,784,054)	(7,338,399)
Decrease in financial assets sold under repurchase agreements		–	(2,575,934)
Increase/(decrease) in accrued staff costs		70,481	(7,929)
(Decrease)/increase in other liabilities		(265,434)	1,231,060
		<hr/>	<hr/>
Cash flows from operating activities		25,280,201	2,213,934
Income taxes paid		(1,656,240)	(1,631,251)
		<hr/>	<hr/>
NET CASH FLOWS FROM OPERATING ACTIVITIES		23,623,961	582,683
		<hr/> <hr/>	<hr/> <hr/>

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)*For the year ended 31 December 2025**(Amounts in thousands of RMB, unless otherwise stated)*

	<i>Notes</i>	Year ended 31 December	
		2025	2024
INVESTING ACTIVITIES			
Placement of pledged and restricted bank deposits and fixed deposits		–	(15,351,412)
Withdrawal of pledged and restricted bank deposits and fixed deposits		3,133,296	2,160,556
Purchase of FVTOCI		–	(6,009,933)
Proceeds from disposal/maturity of FVTPL		5,981	78,038
Net cash outflow from derivatives		(699,027)	(929,110)
Proceeds from disposal/maturity of FVTOCI and others		–	9,208,732
Proceeds from disposal of property and equipment		7,408,195	1,437,104
Purchase of property and equipment		(18,890,676)	(23,122,677)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(9,042,231)	(32,528,702)
FINANCING ACTIVITIES			
Proceeds from issue of bonds		19,994,000	7,529,520
Repayments of bonds		(10,654,310)	(12,362,297)
Bond issuance cost		(63,918)	(2,095)
Bond interest paid		(903,307)	(977,915)
Dividends paid		(1,125,004)	(1,307,661)
Decrease in lease liabilities		(31,580)	(41,801)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		7,215,881	(7,162,249)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
Effects of foreign exchange changes		(247,236)	156,477
Cash and cash equivalents at beginning of the year		9,905,003	48,856,794
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<i>16</i>	<u>31,455,378</u>	<u>9,905,003</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES INCLUDE:			
Interest received		10,084,132	13,043,735
Interest paid, exclusive bonds payable interest expenses		(9,575,204)	(11,921,620)
Net interest received		<u>508,928</u>	<u>1,122,115</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands of RMB, unless otherwise stated)

1 GENERAL INFORMATION AND PRINCIPAL ACTIVITIES

China Development Bank Financial Leasing Co., Ltd. (the “**Company**”) was established as Shenzhen Leasing Co., Ltd. (深圳租賃有限公司) on 25 December 1984, with the approval of the former Shenzhen Special Economic Zone Branch of People’s Bank of China (“**PBOC**”), and subsequently renamed as Shenzhen Finance Leasing Co., Ltd. (深圳金融租賃有限公司) after reorganisation in December 1999. In 2008, China Development Bank Co., Ltd. (“**China Development Bank**”) became the controlling shareholder of the Company, and the Company’s total paid-in capital was increased to RMB8,000,000,000 and subsequently, the Company changed its name to CDB Leasing Co., Ltd. (國銀金融租賃有限公司). On 8 September 2015, pursuant to the resolution of shareholders’ meeting, the Company’s total paid-in capital was increased to RMB9,500,000,000. Pursuant to the approval of former China Banking and Insurance Regulatory Commission (the “**CBIRC**”), which was renamed as the National Financial Regulatory Administration (the “**NFRA**”) in 2023, the Company became a joint stock company by issuing a total of 9,500,000,000 shares to the existing shareholders at par value of RMB1 each, representing 100% of share capital of the Company on 28 September 2015 (the “**Financial Restructuring**”). On the same day, the Company also changed its name to China Development Bank Financial Leasing Co., Ltd. (國銀金融租賃股份有限公司). The registered address of the Company’s office is CDB Financial Centre, No. 2003 Fuzhong Third Road, Futian District, Shenzhen, Guangdong Province, the People’s Republic of China (“**PRC**”).

On 11 July 2016, the Company issued 3,100,000,000 new ordinary shares at the issue price of HK\$2 each by way of initial public offering. The gross proceeds amounted to HK\$6.2 billion. On the same day, the Company’s shares were listed on The Stock Exchange of Hong Kong Limited (the “**Listing**”). On 29 July 2016, the Company announced that the over-allotment option was partially exercised in respect of an aggregate of 42,380,000 new ordinary shares with an additional gross proceeds of HK\$84.76 million.

On 27 December 2019, the Company repurchased and then cancelled 687,024,000 H share at the price of US\$0.2863 per share from Three Gorges Capital Holdings (HK) Co., Ltd (三峽資本控股(香港)有限公司). Meanwhile, the Company issued 687,024,000 non-tradable domestic stocks to China Three Gorges Corporation Co., Ltd. (中國長江三峽集團有限公司) at the same price as the repurchased price. These changes have no effect on the total share capital of the Company.

The Company’s parent is China Development Bank, incorporated in the People’s Republic of China (PRC). Its ultimate controlling party is the Ministry of Finance (“**MOF**”) and Central Huijin Investment Ltd. (“**Huijin**”). The MOF is one of the ministries under the State Council, primarily responsible for state fiscal revenue and expenditures, and taxation policies. Huijin was established to hold certain equity investments as authorised by the State Council and does not engage in other commercial activities. Huijin exercises legal rights and obligations on behalf of the PRC government.

The Company and its subsidiaries (the “**Group**”) are principally engaged in aircraft leasing, ship leasing, energy leasing, high-end equipment leasing, inclusive finance leasing, transfers of finance lease assets and lease-related financial business.

2 MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standard Board (IASB), and the disclosure requirements of the Hong Kong Companies Ordinance.

Financial assets and financial liabilities at fair value through profit or loss (including derivative financial instruments) and financial assets at fair value through other comprehensive income are measured at their fair values in the consolidated financial statements. Assets that meet the criteria to be classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Other accounting items are measured at their historical costs. The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company, and all values are rounded to the nearest thousands, except when otherwise indicated.

2.2 New and amended standards and interpretations

2.2.1 New and amended standards and interpretations have been adopted

The Group has adopted the following revised IFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to IAS 21

Lack of Exchangeability

The application of the new and amendments to IFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2.2.2 Standards, amendments and interpretations that are not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture¹</i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments²</i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity²</i>
Amendments to IFRS Accounting Standards	<i>Annual Improvements to IFRS Accounting Standards – Volume 11²</i>
IFRS 18	<i>Presentation and Disclosure in Financial Statements³</i>
IFRS 19 and amendment to IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures³</i>
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency³</i>

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

Except for the amendments to IFRSs mentioned below, the directors of the Company anticipate that the application of all other amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

IFRS 18 Presentation and Disclosures in Financial Statements:

IFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 Presentation of Financial Statements. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of IFRS 18) and IFRS 7. Minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss. Additional disclosures required for the Group's MPMs will be disclosed in a separate note to the consolidated financial statements.

3 TOTAL LEASE INCOME

	Year ended 31 December	
	2025	2024
Finance lease income	9,297,280	10,846,075
Operating lease income	15,313,367	14,588,980
	<u>24,610,647</u>	<u>25,435,055</u>

4 OTHER INCOME, GAINS OR LOSSES

	Year ended 31 December	
	2025	2024
Interest income from deposits with financial institutions	1,535,239	2,890,877
Gains on disposal of assets held for operating lease businesses, net	843,509	353,534
Government grants and incentives	132,831	170,118
Management fee income	453,638	549,419
Foreign exchange losses, net	(541,167)	(1,471,273)
Compensation	1,085,730	219,084
Others	83,372	211,263
	<u>3,593,152</u>	<u>2,923,022</u>

5 INTEREST EXPENSES

	Year ended 31 December	
	2025	2024
Borrowings	8,645,889	12,197,349
Bonds payable	975,019	946,719
Due to banks and other financial institutions	119,102	148,495
Financial assets sold under repurchase agreements	–	35,460
Others	44,752	223,621
Less: Interest capitalised on qualifying assets	(524,634)	(573,231)
	<u>9,260,128</u>	<u>12,978,413</u>

6 INCOME TAX EXPENSE

	Year ended 31 December	
	2025	2024
Current income tax		
– PRC enterprise income tax	1,516,890	1,606,741
– Income tax in other countries	291,730	8,619
– Income taxes under Pillar Two Rules	171,394	–
Deferred income tax	(623,258)	(104,309)
Under/(over) provision in prior year	65,925	(11,274)
	<u>1,422,681</u>	<u>1,499,777</u>

The applicable enterprise income tax rate is 25% (2024: 25%) for the Company and its subsidiaries established in mainland China, except for certain subsidiaries which are subject to the preferential tax treatments, 16.5% (2024: 16.5%) for subsidiaries in Hong Kong, and 12.5% (2024: 12.5%) for subsidiaries in Ireland. Tax arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Organisation for Economic Co-operation and Development (“OECD”) Pillar Two model rules

In December 2021, the OECD published Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (“**Pillar Two**”). The Group is within the scope of the Pillar Two rules. As of 31 December 2025, the Chinese mainland has not implemented Pillar Two legislation. In contrast, Ireland and Hong Kong, where our Group operates, have enacted this legislation, effective from 1 January 2024 in Ireland and 1 January 2025 in Hong Kong. Under the legislation, the Group is liable to pay a top-up tax for the difference between its Global Anti-Base Erosion (GloBE) effective tax rate per jurisdiction and the 15% minimum rate.

As at the reporting date, the Group has identified Ireland and Hong Kong as the material in-scope jurisdictions giving rise to top-up tax obligations. Accordingly, an estimated current tax expense in respect of such Pillar Two top-up taxes has been recognised in the Group’s statement of profit or loss.

The Group has applied the temporary mandatory relief from deferred tax accounting for the impacts of Pillar Two income tax and accounts for it as current tax when it is incurred.

7 EARNINGS PER SHARE

The calculation of basic earnings per share is as follows:

	Year ended 31 December	
	2025	2024
Earnings:		
Profit attributable to owners of the Company (<i>RMB’000</i>)	5,030,278	4,502,988
Number of shares:		
Weighted average number of shares in issue (<i>’000</i>)	<u>12,642,380</u>	<u>12,642,380</u>
Basic earnings per share (<i>RMB Yuan</i>)	<u>0.40</u>	<u>0.36</u>

Basic earnings per share amounts are calculated by dividing the profit attributable to owners of the Company by the weighted average numbers of ordinary shares in issue during the years ended 31 December 2025 and 2024, respectively.

Diluted earnings per share amounts are the same as basic earnings per share amounts due to the absence of dilutive potential ordinary share in the years of 2025 and 2024, respectively.

8 CASH AND BANK BALANCES

	31 December 2025	31 December 2024
Pledged and restricted bank deposits	29,854,285	32,987,581
Mandatory reserve deposits with central bank	50,819	320,383
Surplus reserve deposits with central bank	–	234,884
Cash and bank balances	31,955,378	10,170,119
Less: Allowance for impairment loss	<u>(40,204)</u>	<u>(42,318)</u>
	<u>61,820,278</u>	<u>43,670,649</u>

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2025	31 December 2024
Measured at fair value:		
Equity investment, listed	18,154	10,778
Equity investment, unlisted	98,031	92,734
Debt instrument	<u>150,145</u>	<u>110,398</u>
	<u>266,330</u>	<u>213,910</u>

10 ACCOUNTS RECEIVABLE

	31 December 2025	31 December 2024
Operating lease receivables ⁽¹⁾	1,145,700	1,249,695
Other accounts receivable	<u>68,349</u>	<u>88,510</u>
	<u>1,214,049</u>	<u>1,338,205</u>
Less: Allowance for impairment losses		
– Allowance for operating lease receivables	(528,798)	(710,574)
– Allowance for other accounts receivable	<u>(2,185)</u>	<u>(2,897)</u>
	<u>(530,983)</u>	<u>(713,471)</u>
	<u>683,066</u>	<u>624,734</u>

⁽¹⁾ Overdue analysis of the operating lease receivables as at the end of the reporting period, based on the receivables due date and net of loss allowance, is as follows:

	31 December 2025	31 December 2024
Not overdue	334,921	526,703
Overdue within 1 month	105,960	1,645
Overdue 1 to 2 months	78,324	10,702
Overdue 2 to 3 months	82,943	–
Overdue over 3 months	<u>14,754</u>	<u>71</u>
	<u>616,902</u>	<u>539,121</u>

Movements of accounts receivable between stages for the years of 2025 and 2024 are as follows:

	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Gross amount					
Amount as at 1 January 2025	88,510	–	–	1,249,695	1,338,205
Move to stage 1	–	–	–	–	–
Move to stage 2	(6,120)	6,120	–	–	–
Move to stage 3	–	–	–	–	–
Net increase	(20,161)	–	–	123,501	103,340
Written-off	–	–	–	(207,109)	(207,109)
Effect of foreign currency exchange differences	–	–	–	(20,387)	(20,387)
Amount as at 31 December 2025	<u>62,229</u>	<u>6,120</u>	<u>–</u>	<u>1,145,700</u>	<u>1,214,049</u>
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Gross amount					
Amount as at 1 January 2024	638,332	–	–	1,670,365	2,308,697
Net decrease	(552,063)	–	–	(435,075)	(987,138)
Written-off	–	–	–	(43,916)	(43,916)
Effect of foreign currency exchange differences	2,241	–	–	58,321	60,562
Amount as at 31 December 2024	<u>88,510</u>	<u>–</u>	<u>–</u>	<u>1,249,695</u>	<u>1,338,205</u>

Movements of allowance for impairment losses during the years of 2025 and 2024 are as follows:

	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Allowance for impairment losses					
Amount as at 1 January 2025	2,897	–	–	710,574	713,471
Move to stage 1	–	–	–	–	–
Move to stage 2	(1,371)	1,371	–	–	–
Move to stage 3	–	–	–	–	–
Charged for the year	(712)	–	–	38,441	37,729
Written-off	–	–	–	(207,109)	(207,109)
Effect of foreign currency exchange differences	–	–	–	(13,108)	(13,108)
Amount as at 31 December 2025	<u>814</u>	<u>1,371</u>	<u>–</u>	<u>528,798</u>	<u>530,983</u>

	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Allowance for impairment losses					
Amount as at 1 January 2024	12,343	–	–	961,223	973,566
Recovered for the year	(9,484)	–	–	(218,237)	(227,721)
Written-off	–	–	–	(43,916)	(43,916)
Effect of foreign currency exchange differences	38	–	–	11,504	11,542
	<u>38</u>	<u>–</u>	<u>–</u>	<u>11,504</u>	<u>11,542</u>
Amount as at 31 December 2024	<u>2,897</u>	<u>–</u>	<u>–</u>	<u>710,574</u>	<u>713,471</u>

11 FINANCE LEASE RECEIVABLES

	31 December 2025	31 December 2024
Finance lease receivables		
Not later than one year	55,097,975	56,842,453
Later than one year and not later than two years	44,981,495	47,211,571
Later than two year and not later than three years	33,520,477	36,960,477
Later than three year and not later than four years	27,996,386	26,187,881
Later than four year and not later than five years	18,379,987	20,787,232
Later than five years	84,665,168	67,477,343
	<u>264,641,488</u>	<u>255,466,957</u>
Gross amount of finance lease receivables		
Less: Unearned finance income	(46,869,880)	(44,089,411)
	<u>217,771,608</u>	<u>211,377,546</u>
Present value of minimum finance lease receivables		
Less: Allowance for impairment losses	(11,194,285)	(9,277,909)
	<u>206,577,323</u>	<u>202,099,637</u>
Carrying amount of finance lease receivables		
Present value of minimum finance lease receivables		
Not later than one year	45,208,713	46,782,738
Later than one year and not later than two years	37,275,480	39,441,915
Later than two year and not later than three years	27,622,572	31,179,157
Later than three year and not later than four years	23,462,087	21,866,717
Later than four year and not later than five years	14,826,928	17,471,503
Later than five years	69,375,828	54,635,516
	<u>217,771,608</u>	<u>211,377,546</u>

The Group entered into finance lease arrangements for certain of its aircraft, ships, energy equipment, high-end equipment, transport and construction vehicle and others. The term range of finance leases is from 1 to 25 years.

The finance lease receivables with a carrying amount of approximately RMB3,733,665 thousand were pledged as collateral for the Group's bank borrowings as at 31 December 2025 (31 December 2024: RMB4,052,390 thousand) (Note 13).

The Group entered into finance lease receivables factoring arrangements and continued to recognise these transferred finance lease receivables in their full carrying amount, which was approximately RMB 3,092,054 thousand as at 31 December 2025 (31 December 2024: RMB3,953,646 thousand).

The finance lease receivables were mainly with floating interest rates base on the benchmark interest rate of Loan Prime Rate (“LPR”) or SOFR. The interest rates of finance lease receivables were adjusted periodically with reference to the benchmark interest rates.

Movements between stages for the years of 2025 and 2024 within finance lease receivables are as follows:

	Stage 1	Stage 2	Stage 3	Total
Present value of minimum finance lease receivables				
Amount as at 1 January 2025	178,745,681	28,644,239	3,987,626	211,377,546
Movement within stages:				
Move to stage 1	398,002	(398,002)	–	–
Move to stage 2	(6,860,780)	9,257,953	(2,397,173)	–
Move to stage 3	–	(773,942)	773,942	–
Net assets originated/(repayment)	14,752,557	(7,909,333)	(63,641)	6,779,583
Written-off	–	–	(5,061)	(5,061)
Recovery of written-off finance lease receivables	–	–	390	390
Effect of foreign currency exchange differences	(333,374)	(47,476)	–	(380,850)
Amount as at 31 December 2025	<u>186,702,086</u>	<u>28,773,439</u>	<u>2,296,083</u>	<u>217,771,608</u>
	Stage 1	Stage 2	Stage 3	Total
Present value of minimum finance lease receivables				
Amount as at 1 January 2024	167,388,757	35,087,543	1,649,371	204,125,671
Movement within stages:				
Move to stage 1	1,437,886	(1,437,886)	–	–
Move to stage 2	(5,534,445)	5,534,445	–	–
Move to stage 3	(1,031,222)	(1,116,940)	2,148,162	–
Net assets originated/(repayment)	16,266,677	(9,457,331)	217,808	7,027,154
Written-off	–	–	(28,214)	(28,214)
Recovery of written-off finance lease receivables	–	–	414	414
Effect of foreign currency exchange differences	218,028	34,408	85	252,521
Amount as at 31 December 2024	<u>178,745,681</u>	<u>28,644,239</u>	<u>3,987,626</u>	<u>211,377,546</u>

Movements of allowance for impairment losses on finance lease receivables during the years of 2025 and 2024 are as follows:

	Stage 1	Stage 2	Stage 3	Total
Allowance for impairment losses				
Amount as at 1 January 2025	2,762,052	4,595,284	1,920,573	9,277,909
Movement within stages:				
Move to stage 1	21,995	(21,995)	–	–
Move to stage 2	(171,374)	805,658	(634,284)	–
Move to stage 3	–	(218,817)	218,817	–
Charged for the year	496,032	1,002,414	436,090	1,934,536
Written-off	–	–	(5,061)	(5,061)
Recovery of written-off finance lease receivables	–	–	390	390
Effect of foreign currency exchange differences	(4,692)	(8,797)	–	(13,489)
Amount as at 31 December 2025	<u>3,104,013</u>	<u>6,153,747</u>	<u>1,936,525</u>	<u>11,194,285</u>
	Stage 1	Stage 2	Stage 3	Total
Allowance for impairment losses				
Amount as at 1 January 2024	2,341,362	5,280,490	1,402,682	9,024,534
Movement within stages:				
Move to stage 1	135,903	(135,903)	–	–
Move to stage 2	(58,470)	58,470	–	–
Move to stage 3	(15,351)	(249,102)	264,453	–
(Recovered)/Charged for the year	355,852	(364,911)	281,153	272,094
Written-off	–	–	(28,214)	(28,214)
Recovery of written-off finance lease receivables	–	–	414	414
Effect of foreign currency exchange differences	2,756	6,240	85	9,081
Amount as at 31 December 2024	<u>2,762,052</u>	<u>4,595,284</u>	<u>1,920,573</u>	<u>9,277,909</u>

12 PROPERTY AND EQUIPMENT

	31 December 2025	31 December 2024
Equipment held for operating lease businesses	133,234,897	133,022,685
Property and equipment held for administrative purposes	<u>555,972</u>	<u>571,192</u>
	<u>133,790,869</u>	<u>133,593,877</u>

Equipment held for operating lease businesses

	Aircraft	Ships	Special equipment	Total
Cost				
As at 1 January 2025	121,144,684	45,633,927	6,333,982	173,112,593
Additions	10,977,613	1,491,753	5,884,740	18,354,106
Transfer to assets held-for-sale	(2,330,771)	–	–	(2,330,771)
Transfer to finance lease receivables	(468,849)	–	–	(468,849)
Disposals/written-off	(5,008,962)	(3,755,646)	(1,756,599)	(10,521,207)
Foreign currency translation	(2,811,657)	(963,940)	–	(3,775,597)
As at 31 December 2025	<u>121,502,058</u>	<u>42,406,094</u>	<u>10,462,123</u>	<u>174,370,275</u>
Accumulated depreciation				
As at 1 January 2025	(26,821,075)	(6,986,533)	(856,453)	(34,664,061)
Charged for the year	(4,500,589)	(2,077,778)	(991,097)	(7,569,464)
Transfer to assets held-for-sale	1,027,539	–	–	1,027,539
Transfer to finance lease receivables	204,187	–	–	204,187
Disposals/written-off	1,830,739	625,748	524,356	2,980,843
Foreign currency translation	690,127	175,763	–	865,890
As at 31 December 2025	<u>(27,569,072)</u>	<u>(8,262,800)</u>	<u>(1,323,194)</u>	<u>(37,155,066)</u>
Accumulated impairment				
As at 1 January 2025	(4,547,236)	(860,432)	(18,179)	(5,425,847)
Charged for the year	–	(66,987)	(46,738)	(113,725)
Transfer to assets held-for-sale	103,480	–	–	103,480
Transfer to finance lease receivables	185,986	–	–	185,986
Disposals/written-off	1,078,287	59,269	33,637	1,171,193
Foreign currency translation	79,376	19,225	–	98,601
As at 31 December 2025	<u>(3,100,107)</u>	<u>(848,925)</u>	<u>(31,280)</u>	<u>(3,980,312)</u>
Net carrying amount				
As at 1 January 2025	<u>89,776,373</u>	<u>37,786,962</u>	<u>5,459,350</u>	<u>133,022,685</u>
As at 31 December 2025	<u>90,832,879</u>	<u>33,294,369</u>	<u>9,107,649</u>	<u>133,234,897</u>

	Aircraft	Ships	Special equipment	Total
Cost				
As at 1 January 2024	111,604,294	39,795,171	1,748,735	153,148,200
Additions	10,981,288	6,178,695	4,633,472	21,793,455
Transfer to assets held-for-sale	(170,342)	(182,535)	–	(352,877)
Disposals/written-off	(3,020,069)	(798,228)	(48,225)	(3,866,522)
Foreign currency translation	<u>1,749,513</u>	<u>640,824</u>	<u>–</u>	<u>2,390,337</u>
As at 31 December 2024	<u>121,144,684</u>	<u>45,633,927</u>	<u>6,333,982</u>	<u>173,112,593</u>
Accumulated depreciation				
As at 1 January 2024	(23,743,554)	(5,078,886)	(104,063)	(28,926,503)
Charged for the year	(4,163,417)	(2,001,938)	(761,685)	(6,927,040)
Transfer to assets held-for-sale	11,338	50,579	–	61,917
Disposals/written-off	1,457,936	137,930	9,295	1,605,161
Foreign currency translation	<u>(383,378)</u>	<u>(94,218)</u>	<u>–</u>	<u>(477,596)</u>
As at 31 December 2024	<u>(26,821,075)</u>	<u>(6,986,533)</u>	<u>(856,453)</u>	<u>(34,664,061)</u>
Accumulated impairment				
As at 1 January 2024	(5,333,877)	(843,629)	–	(6,177,506)
Charged for the year	(143,891)	(4,168)	(18,179)	(166,238)
Transfer to assets held-for-sale	115,155	–	–	115,155
Disposals/written-off	885,742	–	–	885,742
Foreign currency translation	<u>(70,365)</u>	<u>(12,635)</u>	<u>–</u>	<u>(83,000)</u>
As at 31 December 2024	<u>(4,547,236)</u>	<u>(860,432)</u>	<u>(18,179)</u>	<u>(5,425,847)</u>
Net carrying amount				
As at 1 January 2024	<u>82,526,863</u>	<u>33,872,656</u>	<u>1,644,672</u>	<u>118,044,191</u>
As at 31 December 2024	<u>89,776,373</u>	<u>37,786,962</u>	<u>5,459,350</u>	<u>133,022,685</u>

Property and equipment held for administrative purposes

	Buildings	Computers and electronic equipment	Motor vehicles	Office equipment	Leasehold improvements	Total
Cost						
As at 1 January 2025	592,527	85,136	5,472	83,525	65,053	831,713
Additions	-	23,258	-	869	42	24,169
Transfer to investment properties	(2,772)	-	-	-	-	(2,772)
Disposals	-	(8,692)	-	(1,003)	-	(9,695)
Foreign currency translation	-	(339)	-	(180)	(1,259)	(1,778)
As at 31 December 2025	<u>589,755</u>	<u>99,363</u>	<u>5,472</u>	<u>83,211</u>	<u>63,836</u>	<u>841,637</u>
Accumulated depreciation						
As at 1 January 2025	(107,947)	(58,529)	(5,198)	(60,589)	(28,258)	(260,521)
Charged for the year	(14,557)	(12,644)	-	(7,103)	(3,208)	(37,512)
Transfer to investment properties	2,103	-	-	-	-	2,103
Disposals	-	8,248	-	951	-	9,199
Foreign currency translation	-	294	-	172	600	1,066
As at 31 December 2025	<u>(120,401)</u>	<u>(62,631)</u>	<u>(5,198)</u>	<u>(66,569)</u>	<u>(30,866)</u>	<u>(285,665)</u>
Net carrying amount						
As at 1 January 2025	<u>484,580</u>	<u>26,607</u>	<u>274</u>	<u>22,936</u>	<u>36,795</u>	<u>571,192</u>
As at 31 December 2025	<u>469,354</u>	<u>36,732</u>	<u>274</u>	<u>16,642</u>	<u>32,970</u>	<u>555,972</u>

	Buildings	Computers and electronic equipment	Motor vehicles	Office equipment	Leasehold improvements	Total
Cost						
As at 1 January 2024	605,113	64,841	5,472	81,984	63,080	820,490
Transferred from investment properties	11,804	-	-	-	-	11,804
Additions	-	21,220	-	1,415	1,139	23,774
Transfer to investment properties	(24,390)	-	-	-	-	(24,390)
Disposals	-	(1,120)	-	-	-	(1,120)
Foreign currency translation	-	195	-	126	834	1,155
As at 31 December 2024	<u>592,527</u>	<u>85,136</u>	<u>5,472</u>	<u>83,525</u>	<u>65,053</u>	<u>831,713</u>
Accumulated depreciation						
As at 1 January 2024	(95,413)	(47,233)	(5,013)	(52,396)	(24,447)	(224,502)
Transferred from investment properties	(1,952)	-	-	-	-	(1,952)
Charged for the year	(13,718)	(11,032)	(185)	(8,094)	(3,506)	(36,535)
Transfer to investment properties	3,136	-	-	-	-	3,136
Disposals	-	-	-	-	-	-
Foreign currency translation	-	(264)	-	(99)	(305)	(668)
As at 31 December 2024	<u>(107,947)</u>	<u>(58,529)</u>	<u>(5,198)</u>	<u>(60,589)</u>	<u>(28,258)</u>	<u>(260,521)</u>
Net carrying amount						
As at 1 January 2024	<u>509,700</u>	<u>17,608</u>	<u>459</u>	<u>29,588</u>	<u>38,633</u>	<u>595,988</u>
As at 31 December 2024	<u>484,580</u>	<u>26,607</u>	<u>274</u>	<u>22,936</u>	<u>36,795</u>	<u>571,192</u>

13 BORROWINGS

	31 December 2025	31 December 2024
Secured bank borrowings ⁽¹⁾	58,206,120	62,150,411
Factoring financing ⁽²⁾	3,038,992	3,879,942
Unsecured bank borrowings	265,753,445	243,783,710
	<u>326,998,557</u>	<u>309,814,063</u>

	31 December 2025	31 December 2024
Carrying amount repayable:		
Within one year	268,832,915	215,508,720
More than one year, but not exceeding two years	20,715,914	52,381,483
More than two years, but not exceeding five years	25,691,720	32,438,861
More than five years	11,758,008	9,484,999
	<u>326,998,557</u>	<u>309,814,063</u>

⁽¹⁾ Secured bank borrowings

Secured bank borrowings were pledged by equipment held for operating lease businesses, finance lease receivables and bank deposits with carrying amounts as follows:

	31 December 2025	31 December 2024
Equipment held for operating lease businesses	35,288,497	39,172,287
Finance lease receivables	3,733,665	4,052,390
Bank deposits	29,854,285	32,987,577
	<u>68,876,447</u>	<u>76,212,254</u>

- (2) The Group entered into finance lease receivables factoring arrangements and has recognised the cash received for the transfer as factoring financing. The balance of secured bank borrowings through factoring financing was approximately RMB3,038,992 thousand as at 31 December 2025 (31 December 2024: RMB3,879,942 thousand).

The exposure of the Group's fixed-rate borrowings and the contractual maturity dates are as follows:

	31 December 2025	31 December 2024
Fixed-rate borrowings:		
Within one year	256,021,785	205,073,151
More than one year, but not exceeding five years	12,017,243	50,867,406
	<u>268,039,028</u>	<u>255,940,557</u>

In addition, the Group has floating-rate borrowings which carry interest based on LPR, SOFR or Term SOFR.

The ranges of effective interest rates (which approximate to contractual interest rates) on the Group's borrowings are as follows:

	31 December 2025	31 December 2024
Effective interest rates:		
Fixed-rate borrowings (RMB)	1.53%-3.15%	1.90%-3.20%
Fixed-rate borrowings (USD)	3.81%-4.30%	2.05%-5.90%
Floating-rate borrowings (RMB)	1Y LPR/5Y LPR -1.30%~-0.65%	1Y LPR/5Y LPR -1.30%~-0.65%
Floating-rate borrowings (USD)	SOFR/1M TSOFR/ 3M TSOFR +0.05%-1.45%	SOFR/1M TSOFR/ 3M TSOFR +0.05%-1.45%

14 BONDS PAYABLE

	31 December 2025	31 December 2024
Guaranteed unsecured bonds ⁽¹⁾	15,597,363	16,094,151
Unguaranteed unsecured bonds	20,467,439	10,978,761
	<u>36,064,802</u>	<u>27,072,912</u>

The following table summarised the basic information of the Group's bonds:

	Issuer	Currency	Fixed coupon rate	Maturity (Year)	As at 31 December 2025		
					Face value	Guaranteed unsecured bonds ⁽¹⁾	Unguaranteed unsecured bonds
	China Development Bank Financial Leasing Co., Ltd.	USD	4.60%	2035	3,514,400	-	3,514,400
		RMB	1.70% to 2.20%	2027 to 2028	17,000,000	-	17,000,000
	CDBL Funding 2 ⁽²⁾	RMB	3.50%	2026	700,000	700,000	-
		USD	2.00% to 3.125%	2026 to 2027	5,271,600	5,271,600	-
	CDBL Funding 1 ⁽²⁾	USD	3.50% to 4.75%	2027 to 2030	6,044,768	6,044,768	-
	Issuer	Currency	Floating rate				
			SOFR +Margin ranging from				
	CDBL Funding 2 ⁽²⁾	USD	0.90% to 0.95%	2027	1,511,192	1,511,192	-
	CDBL Funding 1 ⁽²⁾	USD	SOFR +Margin 0.80%	2030	2,108,640	2,108,640	-
					<u>36,150,600</u>	<u>15,636,200</u>	<u>20,514,400</u>

Issuer	Currency	Fixed coupon rate	Maturity (Year)	As at 31 December 2024		
				Face value	Guaranteed unsecured bonds ⁽¹⁾	Unguaranteed unsecured bonds
China Development Bank Financial Leasing Co., Ltd.	USD	2.875%	2030	5,031,880	–	5,031,880
	RMB	2.05% to 2.20%	2027	6,000,000	–	6,000,000
CDBL Funding 2 ⁽²⁾	RMB	3.50%	2026	700,000	700,000	–
	USD	2.00% to 3.125%	2025 to 2027	10,423,180	10,423,180	–
CDBL Funding 1 ⁽²⁾	USD	3.50%	2027	<u>2,875,360</u>	<u>2,875,360</u>	–
Issuer	Currency	Floating rate				
CDBL Funding 2 ⁽²⁾	USD	SOFR + Margin	2025 to 2027	<u>2,120,578</u>	<u>2,120,578</u>	–
		ranging from 0.90% to 1.00%				
				<u>27,150,998</u>	<u>16,119,118</u>	<u>11,031,880</u>

⁽¹⁾ As at 31 December 2025 and 2024, the bonds were unconditionally and irrevocably guaranteed by CDB Leasing (International) Company Limited or CDB Aviation Lease Finance Designated Activity Company, with the benefit of a Keepwell and Asset Purchase Deed provided by the Company. CDB Leasing (International) Company Limited and CDB Aviation Lease Finance Designated Activity Company are subsidiaries of the Group.

⁽²⁾ CDBL Funding 1 and CDBL Funding 2 are subsidiaries of the Group.

15 DIVIDENDS

The dividends declared in 2025 are approximately RMB1,125,804 thousand, RMB0.8905 per 10 ordinary shares (2024: RMB1,245,022 thousand, RMB0.9848 per 10 ordinary shares). A dividend in respect of the year ended 31 December 2025 of RMB0.9947 per 10 ordinary shares, amounting to a total dividend of approximately RMB1,257,538 thousand, is to be proposed at the annual general meeting. These financial statements do not reflect this dividend payable.

16 CASH AND CASH EQUIVALENTS

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent the following:

	31 December 2025	31 December 2024
Cash and bank balances before impairment loss	61,860,482	43,712,967
Less :		
– Pledged and restricted bank deposits	29,854,285	32,987,581
– Mandatory reserve deposits with central bank	50,819	320,383
– Other ⁽¹⁾	500,000	500,000
	<u>31,455,378</u>	<u>9,905,003</u>

⁽¹⁾ Other is mainly unpledged and unrestricted fixed deposits.

17 SEGMENT REPORTING

Information reported to the chief operating decision maker (hereinafter refer to as the “CODM”), being the board of directors of the Company, for the purposes of resource allocation and assessment of segment performance focuses on the nature of services provided by the Group, which is also consistent with the Group’s basis of organisation, whereby the businesses are organised and managed separately as individual strategic business unit that serves different markets. Segment information is measured in accordance with the accounting policies and measurement criteria adopted by each segment when reporting to the board of directors of the Company, which are consistent with the accounting and measurement criteria in the preparation of the consolidated financial statements.

The Group’s operating segments are adjusted to six business segments as follows for the year ended 31 December 2025 (the segment reporting for the year ended 31 December 2024 and as at 31 December 2024 has been adjusted accordingly):

- Aircraft leasing: mainly engaged in the acquisition, leasing, management and disposal of commercial aircraft;
- Ship leasing: mainly engaged in the leasing of ships;
- Energy leasing: mainly engaged in the leasing of energy infrastructure including the wind power and photovoltaic;
- High-end equipment leasing: mainly engaged in the leasing of high-end equipment;
- Inclusive finance: mainly engaged in the leasing of vehicles, and construction and agricultural machinery; and
- Others.

Segment assets and liabilities are allocated to each segment, excluding deferred tax assets and liabilities, and the segment result excludes income tax expense. Segment revenue, results, assets and liabilities mainly include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Expenses of the headquarters are allocated according to the proportion of each segment’s net revenue (segment’s revenue deducting depreciation expenses of equipment held for operating lease businesses). Assets and liabilities of the headquarters are allocated according to the proportion of each segment’s assets related to leasing business.

Inter-segment transactions, if any, are conducted with reference to the prices charged to third parties and there was no change in the basis during the years ended 31 December 2025 and 2024.

The operating and reportable segment information provided to the CODM during the years ended 31 December 2025 and 2024 is as follows:

	Aircraft leasing	Ship leasing	Energy leasing	High-end equipment leasing	Inclusive finance	Others	Total
For the year ended 31 December 2025							
Segment revenue and results							
Finance lease income	25,199	1,253,612	2,529,375	3,041,281	1,370,693	1,077,120	9,297,280
Operating lease income	<u>9,277,150</u>	<u>4,620,863</u>	<u>67,659</u>	<u>73,471</u>	<u>1,161,162</u>	<u>113,062</u>	<u>15,313,367</u>
Segment revenue	9,302,349	5,874,475	2,597,034	3,114,752	2,531,855	1,190,182	24,610,647
Segment other income, gains and losses	<u>2,100,827</u>	<u>1,145,944</u>	<u>125,636</u>	<u>150,801</u>	<u>84,607</u>	<u>61,579</u>	<u>3,669,394</u>
Segment revenue and other income	11,403,176	7,020,419	2,722,670	3,265,553	2,616,462	1,251,761	28,280,041
Interest expense	(4,230,254)	(2,616,000)	(753,514)	(907,775)	(335,315)	(417,270)	(9,260,128)
Other expense	<u>(5,418,243)</u>	<u>(3,007,751)</u>	<u>(1,465,573)</u>	<u>(906,191)</u>	<u>(1,564,690)</u>	<u>(204,506)</u>	<u>(12,566,954)</u>
Segment expenses	<u>(9,648,497)</u>	<u>(5,623,751)</u>	<u>(2,219,087)</u>	<u>(1,813,966)</u>	<u>(1,900,005)</u>	<u>(621,776)</u>	<u>(21,827,082)</u>
Profit before impairment losses and income tax	<u>1,724,216</u>	<u>1,614,502</u>	<u>1,734,600</u>	<u>2,094,246</u>	<u>777,062</u>	<u>696,437</u>	<u>8,641,063</u>
Profit before income tax	<u>1,754,679</u>	<u>1,396,668</u>	<u>503,583</u>	<u>1,451,587</u>	<u>716,457</u>	<u>629,985</u>	<u>6,452,959</u>
As at 31 December 2025							
Segment assets and liabilities							
Segment assets	121,461,925	63,643,293	95,447,132	84,893,236	42,182,972	22,819,596	430,448,154
Deferred tax assets							<u>3,023,339</u>
Group's total assets							<u>433,471,493</u>
Segment liabilities	114,996,437	55,226,516	84,816,239	75,487,509	37,471,488	20,279,161	388,277,350
Deferred tax liabilities							<u>1,219,293</u>
Group's total liabilities							<u>389,496,643</u>
Other segment information							
Depreciation of investment properties	-	-	-	-	-	(41,587)	(41,587)
Depreciation of property and equipment	(4,504,523)	(2,089,349)	(42,937)	(58,356)	(908,611)	(3,200)	(7,606,976)
Depreciation of right-of-use assets	(18,664)	(6,548)	(3,996)	(4,862)	(1,787)	(1,811)	(37,668)
Amortisation	(16,431)	(13,256)	(8,089)	(9,842)	(3,617)	(7,805)	(59,040)
Capital expenditure	10,977,613	1,491,753	2,305,439	2,764,600	814,701	24,169	18,378,275
Impairment reversal/(losses)	<u>30,463</u>	<u>(217,834)</u>	<u>(1,231,017)</u>	<u>(642,659)</u>	<u>(60,605)</u>	<u>(66,452)</u>	<u>(2,188,104)</u>

The operating and reportable segment information provided to the CODM during the years ended 31 December 2025 and 2024 is as follows (continued):

	Aircraft leasing	Ship leasing	Energy leasing	High-end equipment leasing	Inclusive finance	Others	Total
For the year ended 31 December 2024 (Restated)							
Segment revenue and results							
Finance lease income	13,427	1,365,236	2,004,905	3,489,583	1,864,024	2,108,900	10,846,075
Operating lease income	<u>8,173,534</u>	<u>5,294,575</u>	<u>2,598</u>	<u>58,009</u>	<u>945,164</u>	<u>115,100</u>	<u>14,588,980</u>
Segment revenue	8,186,961	6,659,811	2,007,503	3,547,592	2,809,188	2,224,000	25,435,055
Segment other income, gains and losses	<u>1,060,124</u>	<u>1,094,608</u>	<u>220,209</u>	<u>354,805</u>	<u>162,119</u>	<u>236,187</u>	<u>3,128,052</u>
Segment revenue and other income	9,247,085	7,754,419	2,227,712	3,902,397	2,971,307	2,460,187	28,563,107
Interest expense	(4,408,197)	(3,271,305)	(1,182,645)	(1,996,865)	(710,334)	(1,409,067)	(12,978,413)
Other expense	<u>(4,603,527)</u>	<u>(2,685,022)</u>	<u>(515,820)</u>	<u>(725,720)</u>	<u>(1,129,664)</u>	<u>77,824</u>	<u>(9,581,929)</u>
Segment expenses	<u>(9,011,724)</u>	<u>(5,956,327)</u>	<u>(1,698,465)</u>	<u>(2,722,585)</u>	<u>(1,839,998)</u>	<u>(1,331,243)</u>	<u>(22,560,342)</u>
(Loss)/profit before impairment losses and income tax	<u>(196,219)</u>	<u>1,655,779</u>	<u>929,707</u>	<u>1,660,616</u>	<u>934,615</u>	<u>876,740</u>	<u>5,861,238</u>
Profit before income tax	<u>235,361</u>	<u>1,798,092</u>	<u>529,247</u>	<u>1,179,812</u>	<u>1,131,309</u>	<u>1,128,944</u>	<u>6,002,765</u>
As at 31 December 2024 (Restated)							
Segment assets and liabilities							
Segment assets	120,078,363	64,739,803	58,399,054	90,242,410	34,411,315	35,651,976	403,522,921
Deferred tax assets							<u>2,327,409</u>
Group's total assets							<u>405,850,330</u>
Segment liabilities	114,718,908	57,567,457	51,313,190	79,362,735	30,228,084	31,351,213	364,541,587
Deferred tax liabilities							<u>1,044,984</u>
Group's total liabilities							<u>365,586,571</u>
Other segment information							
Depreciation of investment properties	-	-	-	-	-	(42,567)	(42,567)
Depreciation of property and equipment	(4,167,081)	(2,013,332)	(5,635)	(60,882)	(711,567)	(5,078)	(6,963,575)
Depreciation of right-of-use assets	(18,589)	(6,627)	(2,710)	(4,721)	(2,108)	(2,953)	(37,708)
Amortisation	(26,939)	(9,500)	(3,885)	(6,768)	(3,022)	(8,331)	(58,445)
Capital expenditure	10,981,288	6,178,695	284,899	104,410	4,244,163	23,774	21,817,229
Impairment reversal/(losses)	<u>431,580</u>	<u>142,313</u>	<u>(400,460)</u>	<u>(480,804)</u>	<u>196,694</u>	<u>252,204</u>	<u>141,527</u>

18 EVENTS AFTER THE REPORTING PERIOD

Due to developments in the Middle East's geopolitical tensions since February 2026, certain aircraft and ship leasing business operations of the Group in relevant regions are subject to uncertainties. The Group promptly initiated a risk screening exercise for its overseas operations, monitored the operational status of its assets in a timely manner, and formulated contingency plans to address potential developments. As at the reporting date, the operational status of relevant assets remained generally normal. The Group will continue to maintain close monitoring of developments in the Middle East, promptly adjust its contingency plans and take necessary mitigating measures.

DEFINITIONS

“Administrative Measures for the Capital of Commercial Banks”	the Administrative Measures for the Capital of Commercial Banks (《商業銀行資本管理辦法》) (National Financial Regulatory Administration Order No. 4 of 2023), which was published by the NFRA on 26 October 2023 and came into effect on 1 January 2024
“Administrative Measures on Financial Leasing Companies”	the amended Administrative Measures on Financial Leasing Companies (《金融租賃公司管理辦法》) (NFRA Order No. 6 of 2024) issued by the NFRA on 14 September 2024, which came into effect on 1 November 2024, in order to regulate the operating behavior of financial leasing companies, prevent financial risks, and promote the stable operation and high-quality development of financial leasing companies
“Airbus”	Airbus S.A.S. (Airbus), a “Société par Actions Simplifiée (SAS) (which means “simplified joint-stock company”)” incorporated under French law
“Articles of Association”	the articles of association of China Development Bank Financial Leasing Co., Ltd.
“Board” or “Board of Directors”	the board of directors of the Company
“Board of Supervisors”	the board of supervisors of the Company
“Boeing”	The Boeing Company, a company incorporated in Delaware, the United States
“CBIRC”	China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會) and its predecessor, China Banking Regulatory Commission (中國銀行業監督管理委員會), which is renamed as The National Financial Regulatory Administration (國家金融監督管理總局)
“CDB” or “China Development Bank”	China Development Bank, established in the PRC in 1994 and restructured as a limited liability company in 2017, and the Controlling Shareholder of the Company which holds 64.40% equity interest of the Company
“CDB Aviation”	CDB Aviation Lease Finance Designated Activity Company (國銀航空金融租賃有限公司)
“Chairman”	chairman of the Board of Directors of the Company

“China” or “PRC”	the People’s Republic of China
“COMAC”	Commercial Aircraft Corporation of China, Ltd.
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company” or “CDB Leasing”	China Development Bank Financial Leasing Co., Ltd. (國銀金融租賃股份有限公司), a company established in the PRC in 1984 and converted into a joint stock limited company on 28 September, 2015, the H Shares of which are listed on the Hong Kong Stock Exchange with stock code of 1606
“Company Law of the PRC”	the Company Law of the People’s Republic of China (Revised in 2023, Presidential Decree No. 15), which was promulgated by the Standing Committee of the National People’s Congress on 29 December 2023 and became effective on 1 July 2024
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules ⁽¹⁾
“Director(s)”	director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the Company’s share capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“Group”, “we”, “our” or “us”	the Company and its subsidiaries or SPVs, or the Company and any one or more of its subsidiaries or SPVs, as the context may require
“HK\$” or “Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited

⁽¹⁾ The amendments to the Corporate Governance Code came into effect on 1 July 2025, and the new provisions under the Corporate Governance Code apply to corporate governance reports and annual reports for financial years commencing on or after 1 July 2025.

“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange and traded in Hong Kong dollars
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Measures for the Risk Classification of Financial Assets of Commercial Banks”	the Measures for the Risk Classification of Financial Assets of Commercial Banks (《商業銀行金融資產風險分類辦法》) (China Banking and Insurance Regulatory Commission PBOC Order [2023] No. 1), in order to facilitate commercial banks to accurately assess credit risk and truly reflect the quality of financial assets, the CBIRC and the PBOC jointly formulated the measures. The measures were issued on 10 February 2023 and came into effect on 1 July 2023
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“National Bureau of Statistics”	the National Bureau of Statistics of China
“NFRA”	The National Financial Regulatory Administration (國家金融監督管理總局) and its local offices, including its predecessor, CBIRC. The NFRA is an organisation directly under the State Council established on the basis of CBIRC. In March 2023, the Central Committee of the Communist Party of China and the State Council issued the Party and State Organisational Reform Plan, deciding to establish the NFRA on the basis of the CBIRC and no longer retain the CBIRC. On 18 May 2023, the NFRA was inaugurated
“NFRA Shenzhen Office”	the Shenzhen Office of the National Financial Regulatory Administration
“OEM(s)”	collectively or individually, Boeing, Airbus and other airline manufacturers
“PBOC”	The People’s Bank of China, the Central Bank of the People’s Republic of China

“Reporting Period”	from 1 January 2025 to 31 December 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company, including H Share(s) and Domestic Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“State Council”	State Council of the People’s Republic of China
“subsidiary(ies)”	has the meaning ascribed to it under section 15 of the Companies Ordinance
“Supervisor(s)”	supervisor(s) of the Company
“US\$”, “USD” or “US dollar(s)”	United States dollar(s), the lawful currency of the United States

GLOSSARY OF TECHNICAL TERMS

“BDI”	Baltic Dry Index, an important indicator of freight rates in the international dry bulk market, reflecting the demand for commodity transportation and the level of prosperity in the shipping market
“dual carbon”	abbreviation for “carbon peak” and “carbon neutral”; in September 2020, China clearly set out its goals of “carbon peak” by 2030 and “carbon neutral” by 2060
“finance lease”	a lease arrangement classified under the International Financial Reporting Standards, pursuant to which substantially all of the risks and returns of ownership of the lease assets are transferred from the lessors to the lessees
“finance lease related assets”	lease assets under finance leases, consisting of finance lease receivable and accounts receivable (prepayments for finance lease projects)
“Fitch”	Fitch Ratings Ltd.
“GW”	the unit of power, i.e., one billion watts, or 1,000 megawatts. “GW” is the abbreviation of gigawatt
“kW”	the unit of power, i.e., one thousand watts. “kW” is the abbreviation of kilowatt
“LNG”	liquefied natural gas
“Moody’s”	Moody’s Investors Service, Inc.
“MWh”	the unit of energy storage capacity. “MWh” is the abbreviation of megawatt-hour
“narrow-body aircraft”	single-aisle aircraft, such as Airbus A320 family and Boeing 737 family
“operating lease”	a lease arrangement classified under the International Financial Reporting Standards, pursuant to which substantially all of the risks and returns of the lease assets remain with the lessors

“SPV(s)”	special purpose vehicle(s)
“Standard & Poor’s”	S&P Global Ratings
“wide-body aircraft”	twin-aisle aircraft, such as Airbus A330 family and Boeing 777 family

By order of the Board
CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD.
LIU Yi
Joint Company Secretary

Shenzhen, the PRC
31 March 2026

As at the date of this announcement, the executive director of the Company is Ms. MA Hong; the non-executive directors are Mr. ZHANG Kesheng and Mr. ZHANG Chuanhong; and the independent non-executive directors are Mr. LIU Ming, Mr. WANG Guiguo and Ms. LIU Siqin.