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海通恆信國際融資租賃股份有限公司

Haitong Unitrust International Financial Leasing Co., Ltd.

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

(Stock Code: 1905)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2025

The board of directors (the “**Board**”) of Haitong Unitrust International Financial Leasing Co., Ltd. (the “**Company**”) hereby announces the audited consolidated annual results of the Company and its subsidiaries for the year ended December 31, 2025. The Audit Committee of the Board of the Company has reviewed the annual results. This announcement complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcement of annual results. The printed version of the Company’s 2025 annual report will be dispatched to the shareholders of the Company in due course as required and available for viewing on the websites of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and of the Company at www.utfinancing.com.

By order of the Board

Haitong Unitrust International Financial Leasing Co., Ltd.

Mao Yuxing

Chairman

Shanghai, the PRC

March 27, 2026

As at the date of this announcement, the Chairman and executive director of the Company is Mr. MAO Yuxing; the executive director is Ms. ZHOU Jianli; the non-executive directors are Mr. ZHANG Xinjun, Ms. ZHENG Huan, Mr. LU Tong, Mr. WU Shukun and Mr. ZHANG Shaohua; the employee director is Ms. WU Jian; and the independent non-executive directors are Mr. YAO Feng, Mr. ZENG Qingsheng, Mr. WU Yat Wai and Mr. YAN Lixin.

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This report has been prepared in Chinese and English respectively. In case of discrepancy, the Chinese version shall prevail, except for the Independent Auditor's Report and the financial report prepared in accordance with IFRS Accounting Standards of which the English version shall prevail.

Company Profile

The Group is a large and steadily growing financial leasing company in China, and a key subsidiary of Guotai Haitong, a leading securities company in China. We offer customer-oriented and comprehensive financial services to a diverse group of customers across various industries, and strive to become a financial leasing company that leads the new landscape of the industry with the characteristics of the capital market.

Over the years, the Group has been focusing on the core mission of providing financial services to support national strategy and the real economy and has been grasping the significant opportunities arising from the deepening transformation of the Chinese economy. Adhering to the development direction of “marketisation, specialisation and digital-intelligence transformation”, the Group has focused on its primary leasing business and provides tailored services to a wide range of customers, including LMEs, MSEs and individuals. We have continued to provide comprehensive financial services to customers in advanced manufacturing, construction, energy and environmental protection, urban utilities, transportation & logistics, culture and tourism, healthcare and other industries by implementing the investment banking thinking and strengthening the collaboration with our parent company, financial institutions and industrial ecosystem partners, etc., in an effort to achieve a win-win situation. We have formed core competitive advantages, including coordinated allocation of resources and assets and high-quality coordinated growth of business scale and income.

The Group’s headquarters is located in Shanghai and it operates eight specialised business departments, namely Advanced Manufacturing Business Department, Digital Economy Business Department, Ecological and Environmental Protection Business Department, Green Energy Business Headquarters, Construction Business Department, Healthcare Business Department, Public Services Business Headquarters, and Asset Transaction Department. We have also established 21 branches all over the country. In addition, we have established a number of subsidiaries in regions including Hong Kong, Tianjin and Shanghai. Through implementing a “One Body, Two Wings” business development strategy, we have expanded the geographical coverage and customer base of our domestic and overseas business, which fully reflects our expertise that is most pertinent to the local market environments.

On June 3, 2019, the Company was successfully listed on the Main Board of the Hong Kong Stock Exchange.

BOARD OF DIRECTORS

Executive Directors

Mr. MAO Yuxing (Chairman)

Ms. ZHOU Jianli

Non-executive Directors

Mr. ZHANG Xinjun

Ms. ZHENG Huan

Mr. LU Tong

Mr. WU Shukun

Mr. ZHANG Shaohua

Employee Director

Ms. WU Jian

Independent Non-executive Directors

Mr. YAO Feng

Mr. ZENG Qingsheng

Mr. WU Yat Wai

Mr. YAN Lixin

AUDIT COMMITTEE OF THE BOARD

Mr. ZENG Qingsheng (Chairman)

Mr. ZHANG Shaohua

Ms. WU Jian

Mr. WU Yat Wai

Mr. YAN Lixin

REMUNERATION APPRAISAL AND NOMINATION COMMITTEE OF THE BOARD

Mr. YAN Lixin (Chairman)

Mr. MAO Yuxing

Ms. ZHENG Huan

Mr. YAO Feng

Mr. WU Yat Wai

RISK MANAGEMENT COMMITTEE OF THE BOARD

Mr. YAN Lixin (Chairman)

Ms. ZHOU Jianli

Mr. ZHANG Shaohua

Mr. YAO Feng

Mr. ZENG Qingsheng

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE OF THE BOARD

Mr. MAO Yuxing (Chairman)

Ms. ZHOU Jianli

Ms. ZHENG Huan

Mr. LU Tong

Mr. WU Shukun

JOINT COMPANY SECRETARIES

Mr. FU Da

Mr. LAM Kang Chi

AUTHORISED REPRESENTATIVES

Mr. MAO Yuxing

Mr. LAM Kang Chi

Corporate Information

LEGAL ADVISORS

as to Hong Kong law

Davis Polk & Wardwell
18th Floor, The Hong Kong Club Building
3A Chater Road
Hong Kong

as to PRC law

Jia Yuan Law Offices
F408, Ocean Plaza
158 Fuxing Men Nei Street, Xicheng District
Beijing
PRC

AUDITORS

Deloitte Touche Tohmatsu
(Deloitte Touche Tohmatsu Certified Public Accountants LLP
and Deloitte Touche Tohmatsu) (“Deloitte Touche Tohmatsu”)

Domestic Auditor

Deloitte Touche Tohmatsu Certified Public Accountants LLP
30/F, 222 East Yan’an Road, Huangpu District,
Shanghai, PRC

International Auditor

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors
35/F, One Pacific Place
88 Queensway
Hong Kong

H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen’s Road East
Wan Chai, Hong Kong

REGISTERED ADDRESS

No. 599 South Zhongshan Road
Huangpu District
Shanghai
PRC

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Haitong Unitrust Tower
No. 599 South Zhongshan Road
Huangpu District
Shanghai
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre
No. 248 Queen’s Road East
Wan Chai
Hong Kong

COMPANY WEBSITE

<https://www.utfinancing.com>

STOCK CODE

1905

LISTING DATE

June 3, 2019

Financial Summary

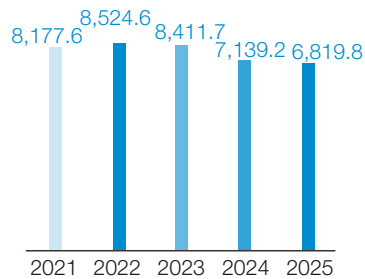
1. OVERVIEW OF KEY FINANCIAL DATA

For the year ended December 31, 2025

Total revenue

RMB in millions

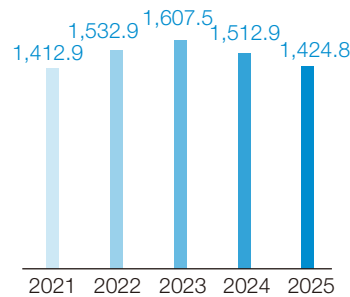
6,819.8



Profit for the year

RMB in millions

1,424.8



Basic earnings

per share

RMB yuan/share

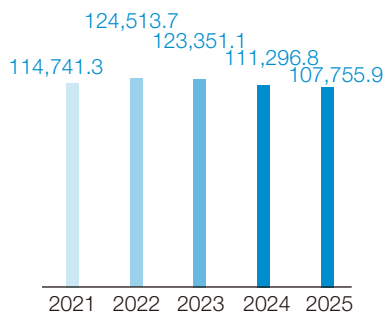
0.16

As at December 31, 2025

Total assets

RMB in millions

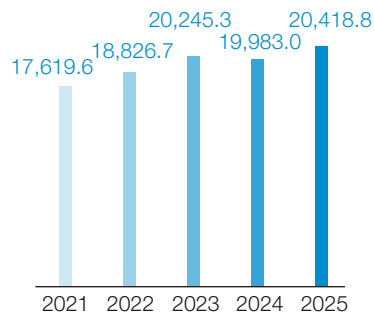
107,755.9



Total equity

RMB in millions

20,418.8



Net assets

per share

RMB yuan/share

2.18

Net interest margin

2025

3.96%

Average yield of interest-earning assets

2025

6.40%

Net interest spread

2025

3.55%

Weighted average return on net assets

2025

7.54%

Asset-liability ratio

As at December 31, 2025

81.05%

NPA ratio

As at December 31, 2025

1.16%

2. CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

The following table summarises our consolidated results of operations for the periods indicated:

	2025	For the year ended December 31,			2021
		2024	2023	2022	
		(RMB in millions, except percentages)			
Total revenue	6,819.8	7,139.2	8,411.7	8,524.6	8,177.6
Total revenue and other income, gains	7,327.6	8,854.7	8,913.0	8,862.0	8,953.2
Interest expenses	(2,446.2)	(3,056.8)	(3,636.1)	(3,541.9)	(3,527.8)
Total expenses	(5,434.4)	(6,893.2)	(6,760.8)	(6,805.8)	(7,021.6)
Profit before income tax	1,893.2	1,961.5	2,152.2	2,056.2	1,931.6
Income tax expenses	(468.4)	(448.6)	(544.7)	(523.3)	(518.7)
Profit for the year	1,424.8	1,512.9	1,607.5	1,532.9	1,412.9
Earnings per share attributable to ordinary shareholders of the Company (RMB yuan/share)					
— Basic	0.16	0.17	0.18	0.17	0.16
— Diluted	N/A	N/A	N/A	N/A	N/A
Profitability indicators					
Average return on assets ⁽¹⁾	1.30%	1.29%	1.30%	1.28%	1.27%
Weighted average return on net assets ⁽²⁾	7.54%	8.10%	8.88%	9.16%	8.91%
Cost-to-income ratio ⁽³⁾	16.38%	13.48%	14.66%	15.29%	13.02%
Profit margin before tax and provision ⁽⁴⁾	49.87%	48.83%	43.96%	43.49%	45.61%
Net profit margin ⁽⁵⁾	20.89%	21.19%	19.11%	17.98%	17.28%
Profitability indicators of assets					
Average yield of interest-earning assets ⁽⁶⁾	6.40%	6.37%	6.86%	6.81%	6.79%
Of which: finance lease business ⁽⁷⁾	6.40%	6.38%	6.88%	6.85%	6.96%
Average cost of interest-bearing liabilities ⁽⁸⁾	2.85%	3.37%	3.63%	3.73%	3.93%
Net interest spread ⁽⁹⁾	3.55%	3.00%	3.22%	3.08%	2.86%
Net interest margin ⁽¹⁰⁾	3.96%	3.44%	3.66%	3.51%	3.30%

3. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The following table summarises our consolidated financial position as at the dates indicated:

	2025	As at December 31,			
		2024	2023	2022	2021
(RMB in millions, except percentages)					
Non-current assets	54,147.5	58,109.9	63,656.9	66,888.9	52,874.0
Receivables from finance lease business ^(Note)	43,500.1	46,801.5	51,841.2	54,950.4	42,792.0
Property and equipment	6,276.7	6,919.9	7,127.7	7,307.2	5,463.2
Current assets	53,608.4	53,186.9	59,694.2	57,624.8	61,867.3
Receivables from finance lease business ^(Note)	44,271.9	43,891.2	47,567.7	49,058.0	45,768.6
Total assets	107,755.9	111,296.8	123,351.1	124,513.7	114,741.3
Current liabilities	41,819.1	53,133.4	53,865.0	57,560.7	57,562.4
Borrowings	18,563.0	23,884.7	23,688.1	25,672.5	25,796.4
Bonds payable	18,485.5	23,492.1	23,730.1	23,883.1	23,409.9
Total equity	20,418.8	19,983.0	20,245.3	18,826.7	17,619.6
Equity attributable to owners of the Company					
— Ordinary shareholders	17,979.4	17,458.1	16,765.2	16,139.5	15,151.4
— Other equity instrument holders	2,384.0	2,468.9	3,430.7	2,642.9	2,384.5
Non-controlling interests	55.4	56.0	49.4	44.3	83.7
Non-current liabilities	45,518.0	38,180.4	49,240.8	48,126.3	39,559.3
Borrowings	20,905.8	16,229.8	22,105.3	23,146.8	18,145.2
Bonds payable	20,099.5	17,077.3	21,657.7	18,670.2	14,865.4

Financial Summary

	As at December 31,				
	2025	2024	2023	2022	2021
	(RMB in millions, except percentages)				
Net assets per share					
(RMB yuan/share)	2.18	2.12	2.04	1.96	1.84
Solvency indicators					
Asset-liability ratio ⁽¹⁾	81.05%	82.05%	83.59%	84.88%	84.64%
Gearing ratio ⁽²⁾	382.26%	403.76%	450.38%	485.34%	466.62%
Asset quality indicators					
NPA ratio ⁽³⁾	1.16%	1.17%	1.12%	1.09%	1.07%
Allowance coverage ratio for NPAs ⁽⁴⁾	304.71%	316.17%	265.82%	252.02%	258.80%

Note: Receivables from finance lease business include finance lease receivables and receivables arising from sale and leaseback arrangements.

- (1) Calculated by dividing profit for the year by the average balance of total assets at the beginning of the year and the end of the year.
- (2) Profit for the year attributable to ordinary shareholders/(equity attributable to ordinary shareholders at the beginning of the year + profit for the year attributable to ordinary shareholders/2 + the addition of total equity attributable to ordinary shareholders arising from issue of new shares or conversion of debt into equity during the Reporting Period * the number of months from the next month immediately after the addition of total equity to the end of the Reporting Period/number of months during the Reporting Period — the reduction of total equity attributable to ordinary shareholders arising from repurchase of shares or cash dividend distribution, etc. during the Reporting Period * the number of months from the next month immediately after the reduction of total equity to the end of the Reporting Period/number of months during the Reporting Period).
- (3) Calculated by dividing the sum of depreciation and amortisation (excluding depreciation and amortisation of aircraft held for operating lease business), staff costs and other operating and management-related expenses by the total revenue and other income, gains.
- (4) Calculated by dividing profit before income tax and provision by the total revenue.
- (5) Calculated by dividing profit for the year by the total revenue.
- (6) Calculated by dividing interest income by the average present value of interest-earning assets. Interest income is the sum of income from finance lease business and other interest income. Interest-earning assets consist of receivables from finance lease business, etc. (excluding assets related to other business such as operating leasing business). Average present value is calculated based on present values as at the end of last year and the middle and the end of the year. In this report, the present value of interest-earning assets used in such calculation represents the present value before deduction of allowances for impairment losses.
- (7) Calculated by dividing income from finance lease business by the average present value of receivables from finance lease business. The average present value of receivables from finance lease business represents the average present value of receivables from finance lease business before deduction of allowances for impairment losses as at the end of last year and the middle and the end of the year.

- (8) Calculated by dividing interest expenses by the average balance of interest-bearing liabilities. Interest-bearing liabilities consist of borrowings, bonds payable, business deposits and notes payable, excluding the interest-bearing liabilities related to other business such as operating leasing business. Average balances are calculated based on balances as at the end of last year and the middle and the end of the year. In this report, the balances of borrowings and bonds payable used in such calculation represent the outstanding principal amounts of such borrowings and bonds payable.
- (9) Calculated as the difference between the average yield of interest-earning assets and the average cost of interest-bearing liabilities (excluding other business such as operating leasing business).
- (10) Calculated by dividing net interest income (excluding other business such as operating leasing business) by the average present value of interest-earning assets calculated based on present values as at the end of last year and the middle and the end of the year.
- (11) Calculated by dividing total liabilities by total assets.
- (12) Calculated by dividing total debt by total equity. The total debt consists of borrowings and bonds payable.
- (13) Represents the percentage of NPAs to the present value of interest-earning assets before deduction of allowances for impairment losses.
- (14) Calculated by dividing allowances for impairment losses for interest-earning assets by the present value of non-performing interest-earning assets.

Chairman's Statement



MAO Yuxing

*Party Secretary and Chairman
of the Board*

The year 2025 marks the transition between the successful completion of China's 14th Five-Year Plan and the initiation of the blueprint for the 15th Five-Year Plan. Facing a complex situation characterised by a turbulent international landscape, intensifying great power competition, and slowing global growth momentum, the Chinese government adhered to a strategy of seeking progress while maintaining stability and promoting stability through progress. It implemented proactive and effective macro policies, and the national economy achieved a development trend of "advancing under pressure and moving towards innovation and optimisation".

As one of the largest state-owned financial leasing companies in Shanghai, the Group upholds the overall leadership of the Party. Closely focusing on serving national strategies and the real economy, we steadfastly advanced the deep integration of Party building with business operations, transforming organisational strengths into development effectiveness and guiding high-quality development through high-quality Party building. In 2025, we closely aligned with national policy guidance and insisted on providing leasing services. Our operating performance remained solid, and the foundations for development were further consolidated. By virtue of our outstanding performance in the fulfilment of social responsibilities and ideological and political development, we were re-assessed and successfully recognised as a "Shanghai Civilised Entity", and our excellent ESG governance standards earned us a Wind ESG Annual Rating of A for 2025. We have long placed emphasis on shareholder returns. During the year, we completed two distributions of cash dividends to shareholders, totalling RMB675 million¹, sharing the fruits of our development with shareholders.

As one of China's leading financial leasing companies, the Group adheres to the development direction of "marketisation, specialisation and digital-intelligence transformation", and puts into practice its business strategy of "risk control as the foundation, progress in stability, digital-intelligence empowerment, management quality improvement and synergistic efficiency enhancement". Focusing on the "Five Major Sectors of Finance", we have deepened industrial transformation, continued to build up our key customer base, and significantly upgraded customer hierarchy. In 2025, the proportions of both new business investments and

¹ The dividends distributed represent the dividends for the year 2024 and the interim dividends for 2025.

the present value of interest-earning assets in fields related to the “Five Major Sectors of Finance” exceeded 37%. New business investment in emerging industries accounted for approximately 46%, and the proportion of central and state-owned enterprises and high-rated customers continued to rise. The resilience of our business was further enhanced, and the asset structure was continuously optimised. With our specialised industry service capabilities, we were successively awarded the “Outstanding Green Benefits Action Organisation Award” and the “Green Benefits Contribution Award” at the 3rd Shanghai Green and Low-Carbon Technology Innovation Competition, and were named among the “Top 50 Green Leasing Companies in China” at the inaugural China Green Leasing Innovation and Development Annual Conference (2025).

As an important subsidiary of Guotai Haitong Securities, the Group thoroughly practices the “One Guotai Haitong” philosophy and implements the synergistic development strategy of Guotai Haitong Group. Taking integration into Guotai Haitong Group’s corporate customer system as the main theme, we deeply embedded financial leasing business into Guotai Haitong Group’s comprehensive financial service chain, and promoted the provision of one-stop “leasing + comprehensive finance” services, thereby realising the efficient conversion of the Group’s resources. In 2025, we included our leasing products in the business catalogue of Guotai Haitong Group, and successfully implemented a number of cross-line collaborative projects. Throughout the year, our collaborative investment in leasing projects exceeded RMB9 billion, representing a year-on-year increase of over 190%. Furthermore, we steadily advanced the strategic depth of our branch network, optimised the regional business layout, and increased business investments in economically developed regions. In 2025, the proportion of new business investment in the five key regions, namely the Yangtze River Delta, Central China, the Chengdu–Chongqing–Shaanxi region, the Greater Bay Area and Beijing–Tianjin–Hebei, exceeded 85%, representing a year-on-year increase of over 16%, with our operations becoming further concentrated in regions with economic advantages.

As one of the leading digital and intelligent financial leasing companies in the industry, the Group continuously advanced the deep integration of financial technology with financial leasing business and accelerated the comprehensive implementation of digital and intelligent transformation to achieve visualised, dynamic and transparent management processes, thereby effectively enhancing operational efficiency and decision support capabilities. We have deployed multiple AI-powered tools across the entire business chain. Through the establishment of a company-level management dashboard, we have strengthened the visualised presentation and quantitative analysis to support decision-making. Digital-intelligence capabilities now cover all key pre-lease, in-lease and post-lease stages, driving substantial improvements in operational efficiency and sound decision-making capabilities. Adhering to the foundation of risk control, we optimised the risk control system, deepened the application of financial technology to enhance risk foresight, early warning, and proactive prevention capabilities, thereby effectively consolidating asset quality. With our leading practices in the integration of financial technology and business, we were awarded the “Leading Enterprise Award” and “Innovation Breakthrough Enterprise Award” at the 6th Financial Technology Application and Service Conference.

Finally, on behalf of the Board, I would like to express my sincere gratitude to our shareholders, customers, business partners and friends from all walks of life for their long-term trust and support. The past is prologue; today we strive for even greater achievements. Standing at the critical juncture marking the commencement of the “15th Five-Year Plan”, we will remain firmly committed to the core mission of serving the real economy, focus on our principal responsibilities and core business, strengthen risk prevention and control, and fully embrace digital and intelligent transformation, endeavouring to forge ahead and open up a new landscape of high-quality development, so as to advance steadfastly on the new journey towards building a leading financial leasing company in China.

MAO Yuxing

Party Secretary and Chairman of the Board

March 27, 2026

General Manager's Statement



Zhou Jianli

*Executive Director and
General Manager*

In 2025, the Group adhered to the fundamental approach of “seeking progress while maintaining stability and promoting stability through progress”, pooling efforts and advancing in synergy. Closely aligning itself with China’s development strategies, the Group insisted on providing leasing services, accelerated its strategic presence in emerging industries, focused on upgrading customer hierarchy, and coordinated business development with risk prevention and control. With solid progress across all fronts, we achieved robust results in operating performance, asset structure, risk management and financing management, thereby continuously consolidating the foundation for high-quality development.

- (1) Our operating performance remained robust. As at December 31, 2025, total assets amounted to RMB107,755.9 million and total equity reached RMB20,418.8 million. In 2025, total revenue amounted to RMB6,819.8 million, and profit for the year reached RMB1,424.8 million.
- (2) Our asset structure was steadily optimised. We strengthened the guiding role of asset allocation and encouraged business development in emerging industries. In 2025, new business investments in emerging fields such as advanced manufacturing, technology innovation leasing, green leasing, and the digital economy accounted for approximately 46%, with our asset structure further improving.
- (3) We significantly upgraded customer hierarchy. We focused on core customer groups with outstanding value contribution and high-quality customers deeply rooted in industries, and kept expanding our key customer base. In 2025, the proportion of new business investment in state-owned and central enterprise customers reached nearly 60%, representing an increase of 12 percentage points as compared with last year, further strengthening our business resilience.
- (4) Overall risk remained stable and manageable. As at December 31, 2025, our NPA ratio was 1.16%, representing a decrease of 0.01 percentage points as compared with the end of last year. Our allowance coverage ratio for NPAs was 304.71%, remaining stable at over 300%, with asset quality remaining generally stable.

- (5) Financing costs continued to decrease. Through the innovation and optimisation of financing instruments, we maintained a sound and stable financing structure and effectively reduced financing costs. The average cost of interest-bearing liabilities was 2.85% in 2025, representing a decrease of 0.52 percentage points as compared with last year.

The Group has made a rigorous assessment of the current operating environment and has proactively advanced the transformation of its business structure. Key financial indicators have remained broadly stable, with total assets maintained at above RMB100 billion. We upgraded customer hierarchy and strengthened asset resilience. The proportion of state-owned and central enterprises as well as high-rated customers continued to increase, while the business volume of high-quality customers continued to expand. Focusing on national and regional development strategies, we have concentrated resource allocation and industry layout in five key regions, further consolidating our leading position in the Yangtze River Delta, and actively supporting Shanghai's endeavour to build its "Five Centres". We made solid progress in advancing the "Five Major Sectors of Finance", continuously empowered the real economy, and enhanced development quality and efficiency, contributing professional expertise to the cultivation of new quality productive forces and the building of a modernised industrial system. Meanwhile, we reached strategic cooperation with more than ten institutions, including the Shanghai Financial Association and the G60 Sci-Tech Innovation Corridor, successfully hosted the Yangtze River Delta Regional Customer High-Quality Development Promotion Conference, and received a number of honours such as the "Model Award for Comprehensive Quality of Financial Leasing Institutions".

The Group actively broadened its financing channels, continuously developed innovative financing instruments, maintained a sound and stable financing structure, and effectively reduced financing costs. It has maintained AAA issuer credit rating (with a stable outlook) for many consecutive years. In 2025, the ratio of our direct to indirect financing remained relatively reasonable and stable. We achieved innovative breakthroughs in the green finance sector, successively arranged the first "ESG + Two Major and Two New Initiatives" themed syndicated loan in the leasing industry and the first environmental protection-themed syndicated loan in the leasing industry, involving the New Development Bank, an international multilateral development institution. We successfully issued "Sci-Tech Innovation" and "Support for Medium-, Small- and Micro-Sized Enterprises" corporate bonds, as well as "Yangtze River Economic Belt", "Integration of the Yangtze River Delta", and "High-quality Development of MSEs" asset-backed securities products, and won multiple awards at the "Golden Spring Awards".

The Group has actively fulfilled its social responsibilities, with ESG performance improving steadily. We actively fulfilled our social responsibilities as a state-owned enterprise and a Hong Kong-listed company, making an emergency donation of HK\$1,000,000 to support disaster relief and reconstruction efforts in response to the Hong Kong fire incident. We have continuously enhanced our volunteer service system and regularly carried out a wide range of public welfare initiatives, including steadily promoting the quality improvement of education in rural kindergartens in Yunnan, volunteer services at the China International Import Expo in Shanghai, and a student assistance scheme for underprivileged youth in Huangpu District. In 2025, our ESG management system operated robustly, with ESG governance standards continuing to improve. We won awards such as the "ESG Governance and Strategy Demonstration Award".

Looking ahead, the Group will adhere to its functional positioning, focus on its main responsibilities and principal businesses, and stay committed to high-quality development. We will closely monitor industrial trends, build a strong presence in high-quality industries, and seize market opportunities, striving to write a new chapter in Haitong Unitrust's high-quality development. On behalf of our management and all employees, I would like to take this opportunity to extend our sincere gratitude to all shareholders, customers, business partners and all sectors of society who have shown unflinching trust, understanding and support for the Group over the years.

ZHOU Jianli

Executive Director and General Manager

March 27, 2026

Management Discussion and Analysis

1. OPERATION OVERVIEW

1.1 MACROECONOMY

In 2025, the international landscape remained complex, severe, and volatile, with intensifying rivalry among major powers. The global economy continued to be weighed down by escalating geopolitical conflicts, rising unilateralism and protectionism, resulting in a broad slowdown in growth momentum. The complexity, severity, and uncertainty of the external environment facing China's development continued to rise.

Facing a complex situation characterised by increasing external challenges, insufficient effective domestic demand, and the need to consolidate the foundation for economic recovery, the CPC Central Committee and the State Council adhered to the principle of seeking progress while maintaining stability, and promoted stability through progress. They promptly introduced a more proactive and effective package of macroeconomic policies. The national economy withstood pressure and showed a development trend of “forging ahead under pressure and moving towards innovation and higher-quality growth”. The major targets and tasks for economic and social development for the year were successfully accomplished, marking a successful conclusion to the “14th Five-Year Plan”. In 2025, China's gross domestic product (GDP) reached RMB140.19 trillion, representing a year-on-year increase of 5.0% calculated at constant prices. The value added of the primary, secondary and tertiary industries grew by 3.9%, 4.5% and 5.4% year-on-year, respectively. Industrial production demonstrated strong resilience, with the value added of industrial enterprises above designated size increasing by 5.9% year-on-year nationwide. Among these, the value added of the equipment manufacturing industry and the high-technology manufacturing industry grew by 9.2% and 9.4%, respectively, while the value added of the integrated circuit manufacturing, aircraft manufacturing, specialised electronic materials manufacturing and biopharmaceutical manufacturing sectors rose by 26.7%, 24.8%, 23.9% and 12.1% year-on-year, respectively. The output of 3D printing equipment, industrial robots, new energy vehicles, memory chips and servers increased by 52.5%, 28.0%, 25.1%, 22.8% and 12.6% year-on-year, respectively. On the demand side, the total retail sales of consumer goods for the year exceeded RMB50 trillion, representing a year-on-year increase of 3.7%. Investment in the manufacturing sector grew by 0.6% year-on-year, while investment in the information services industry and the aviation, spacecraft and equipment manufacturing industry increased by 28.4% and 16.9%, respectively. The total value of goods imported and exported reached RMB45.47 trillion, representing a year-on-year increase of 3.8%, of which exports grew by 6.1%, with high-technology product exports emerging as a significant driver of export growth.

In 2025, China's macroeconomic policies maintained a “moderately accommodative” stance, with monetary and fiscal policies working in concert, and financing costs for the real economy continued to decline. The loan prime rate (LPR) for loans with a maturity of over five years was lowered by 10 basis points to 3.5%, while the one-year LPR was lowered by 10 basis points to 3.0%. In December, the weighted average interest rates for newly issued corporate loans and personal loans were both approximately 3.1%, remaining at a historical low. As at the end of 2025, the outstanding aggregate social financing amounted to RMB442.12 trillion, representing a year-on-year increase of 8.3%, of which the outstanding balance of RMB-denominated loans extended to the real economy reached RMB268.4 trillion, representing a year-on-year increase of 6.3%. Loans in the “Five Major Sectors of Finance”, namely technology finance, green finance, inclusive finance, pension finance and digital finance, all recorded growth rates above the average growth rate of total loans, indicating continued optimisation of the credit structure.

1.2 REGULATORY ENVIRONMENT

In 2025, the Measures for the Compliance Management of Financial Institutions (《金融機構合規管理辦法》), issued by the National Financial Regulatory Administration, officially came into effect. The measures unify the regulatory standards, norms and requirements for compliance management across financial institutions, providing clear guidance and direction for practical implementation. The National Financial Regulatory Administration issued the Measures for the Administration of the Financial Leasing Business of Financial Leasing Companies (《金融租賃公司融資租賃業務管理辦法》), clarifying that the compliance of leased assets is the primary prerequisite for conducting financial leasing business, emphasising management requirements at all stages centring on leased assets, and guiding and promoting the industry to return to the essence of “financing with capital + goods”. The General Office of the National Financial Regulatory Administration issued the Notice on Further Regulating Financial Business in the Commercial Vehicle Market (《關於進一步規範商用車市場金融業務的通知》), requiring financial institutions and local financial organisations to conduct commercial vehicle financing business in accordance with laws and regulations, strengthen full-process business management, and effectively safeguard consumers’ lawful rights and interests. With respect to local regulation, the People’s Government of Pudong New Area, Shanghai, set out comprehensive quality management requirements covering the full process of medical device financial leasing. The Tianjin Municipal Local Financial Administration Bureau and the Tianjin Office of the National Financial Regulatory Administration successively issued relevant notices to strengthen supervision across multiple dimensions, including consumer rights protection, the regulation of vehicle retail leasing business, and the rectification of industry risks and irregularities, whilst strictly prohibiting any new hidden local government debt. In addition, regions such as Guangdong and Hubei also refined and adjusted their local regulatory rules. Overall, regulatory focus in the financial leasing industry has centred on business standardisation and the protection of consumer rights. The regulatory environment generally remains stringent, which will provide strong support for the high-quality development of the financial leasing industry.

1.3 INDUSTRY CONDITIONS

In 2025, the financial leasing industry generally showed a relatively stable development trend. In terms of the total number of enterprises, as at June 30, 2025, the total number of financial leasing enterprises in China was approximately 7,020, representing a decrease of 331, or 4.5%, as compared with 7,351 as at the end of last year, mainly due to the withdrawal of certain foreign-funded financial leasing companies from the market. In terms of total business volume, as at June 30, 2025, the balance of financial leasing contracts in China was approximately RMB5,424.0 billion, representing a decrease of approximately RMB36.0 billion as compared with the end of last year, a slight decrease of 0.7%.

In 2025, under regulatory guidance and policy support, the financial leasing industry exhibited new development trends. On one hand, industry regulation continued to follow the principle of “focusing on core business and preventing risks”. The National Financial Regulatory Administration issued a series of policies to consistently guide financial leasing companies to focus on their core leasing business and serving the real economy, and strengthen risk management and corporate governance. On the other hand, with the successful conclusion of the 14th Five-Year Plan, financing demand from industries such as high-end equipment manufacturing, next-generation information technology and new energy has continued to grow, whilst high-tech enterprises and technology-oriented small and medium-sized enterprises have thrived, presenting new development opportunities for the financial leasing industry. Looking ahead to the new phase of the 15th Five-Year Plan, financial leasing companies are expected to leverage their inherent advantage of “financing with capital + goods” to play an increasingly active role in the deep integration of technological and industrial innovation, the accelerated cultivation of new quality productive forces, and the construction of a modernised infrastructure system. Overall, the financial leasing industry had a clearer direction for development and stronger policy support, and financing demand in national strategic industries and key sectors remained strong. Financial leasing enterprises that remain focused on their principal business, operate in compliance with regulations, and are committed to serving the real economy, will enjoy broader prospects for high-quality development.

Management Discussion and Analysis

2. DEVELOPMENT REVIEW

In 2025, the Group insisted on providing leasing services and upheld the development direction of “marketisation, specialisation and digital-intelligence transformation”, putting into practice its business strategy of “risk control as the foundation, progress in stability, digital-intelligence empowerment, management quality improvement and synergistic efficiency enhancement”. The Group leveraged high-quality Party building to guide its high-quality development, deepened its industry-oriented transformation with a focus on the “Five Major Sectors of Finance”, upgraded customer hierarchy, surrendered benefits to the real economy, strengthened intra-group synergies, accelerated the development of digital-intelligence capabilities, reduced financing costs, and reinforced risk management and control, thereby continuing to consolidate the foundation for high-quality development.

OPERATING PERFORMANCE REMAINING ROBUST

The Group adheres to the overall leadership of the Party and takes Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as its guiding principle. The Group has thoroughly implemented the spirit of the 20th National Congress of the Party and the third and fourth plenary sessions of the 20th Central Committee, closely aligning itself with national strategies and the real economy. The Group has steadfastly advanced the deep integration of Party building with business operations, transforming organisational strengths into development momentum and steering high-quality development through high-quality Party building. By strengthening political oversight, consolidating organisational foundations, fostering a distinctive Party building brand and promoting exemplary role models, the Group has continuously enhanced the systematic nature and practical effectiveness of its Party building endeavours, providing a solid safeguard for strengthening its core competitiveness. By virtue of our achievements in serving the real economy and sound operating results, we were awarded the “2024 Huangpu High-Quality Economic Development Top 100 Award” in Shanghai and the honorary title of “Leading Leasing Enterprise in Supporting a Strong Manufacturing Powerhouse” at the 2025 China Financial Leasing “Tengfei Award”.

The Group has closely followed national policy guidance, insisted on providing leasing services, and deepened its industry-oriented transformation. It has accelerated its strategic deployment in emerging industries, made concerted efforts to upgrade customer hierarchy, conducted business robustly, and continued to consolidate its development foundations. As at December 31, 2025, the Group had total assets of RMB107,755.9 million and total equity of RMB20,418.8 million. In 2025, the Group realised total revenue of RMB6,819.8 million and profit for the year of RMB1,424.8 million. The average yield of interest-earning assets and weighted average return on net assets were 6.40% and 7.54%, respectively. The Group diversified and expanded low-cost financing channels and strengthened cost control. In 2025, the average cost of interest-bearing liabilities was 2.85%, representing a decrease of 0.52 percentage points as compared with last year; the net interest spread and net interest margin were 3.55% and 3.96%, respectively, representing an increase of 0.55 percentage points and 0.52 percentage points respectively as compared with last year. The Group continuously upgraded customer hierarchy, with the proportion of state-owned and central enterprise customers and high-rated customers continuing to rise. Anchored in major national regional development strategies, it increased business investments in economically developed regions such as the Yangtze River Delta, maintaining generally stable asset quality. As at December 31, 2025, the NPA ratio was 1.16%, representing a decrease of 0.01 percentage points as compared with the end of last year, achieving a decline in both the NPA ratio and the NPA balance, and all asset quality indicators remained at a safe and controllable level. The allowance coverage ratio for NPAs was 304.71%, remaining stable at over 300%, indicating sufficient risk resilience.

CONTINUED OPTIMISATION OF ASSET STRUCTURE

The Group has closely aligned itself with the strategic direction of the “Five Major Sectors of Finance”, cultivating deep expertise in segmented industry sectors, building specialised industry service capabilities, and supporting the development of new quality productive forces and the construction of a modern industrial system. Leveraging its professional advantages, the Group has actively explored innovations in technology finance, providing technology-oriented enterprises with comprehensive financial services tailored to their operational characteristics and growth cycles, thereby lending strong support to technological innovation and industrial upgrading. The Group secured pioneering transactions across multiple sectors, including military industry support, high-end medical equipment, and autonomous driving in enclosed scenarios. The Group has continued to strengthen the development of green finance application scenarios, extending its reach into specialised sectors with business breakthroughs in frontier scenarios such as hydrogen-powered heavy-duty trucks, hydrogen-powered buses and new energy mining vehicles. The Group has continually refined its inclusive finance product system, designing leasing solutions around the needs of equipment and manufacturers, maintaining steady support for medium-, small- and micro-sized enterprises, and continuously optimising its inclusive finance business strategies. The Group has proactively positioned itself in the pension finance sector by researching and formulating an elderly care product manual, further promoting home-based elderly care equipment leasing products, deepening applications in health and elderly care scenarios, and providing specialised services to manufacturers of assistive devices for the elderly, elderly care products and age-friendly equipment, thereby contributing to the healthy development of the silver economy. The Group has focused on nurturing the digital finance industry by launching products such as intelligent computing centre equipment leasing, actively supporting the development of next-generation information technology and related manufacturing industries, and facilitating digital transformation and intelligent upgrading for enterprises. In 2025, the proportions of both new business investments and the present value of interest-earning assets of the Group in sectors related to the “Five Major Sectors of Finance” exceeded 37%. We were awarded the “Outstanding Green Benefits Action Organisation Award” at the 3rd Shanghai Green and Low-Carbon Technology Innovation Competition, with both our waste lead-acid battery and lead waste recycling and reuse project and our distributed photovoltaic project receiving the “Green Benefits Contribution Award”. We were successfully selected as one of the “Top 50 Green Leasing Companies in China” at the inaugural China Green Leasing Innovation and Development Annual Conference (2025), and our hydrogen energy leasing product was honoured with the “Best Case at the 2nd National Green Leasing Innovation Cases Competition”. Our methanol range-extended mining truck direct lease project received the “2025 Outstanding Case Award” from the Jiangsu Provincial Financial Leasing Industry Association, and our Lyocell fibre direct lease plus leaseback project was recognised as an annual exemplary case for “Outstanding Contribution to Serving the Real Economy” at the 3rd Shandong Leasing Annual Conference.

The Group has focused on core customer groups with outstanding value contribution, leveraged the radiating effect of “chain master” enterprises, extending horizontally to identify and address the comprehensive financial needs of key clients, while penetrating vertically along the upstream and downstream of core enterprises, thereby accumulating more high-quality customers rooted in industries. We have continued to build up our key customer base and significantly upgraded customer hierarchy. In 2025, the proportion of new business investment in state-owned and central enterprise customers reached nearly 60%, representing an increase of 12 percentage points as compared with 2024, further strengthening business resilience and optimising asset structure. We strengthened the guiding role of asset allocation and formulated asset allocation strategies that were both forward-looking and feasible. We vigorously expanded business in emerging industries such as advanced manufacturing, technology innovation leasing, green leasing, and the digital economy. In 2025, new business investment in emerging industries accounted for approximately 46%, reflecting the continued optimisation of our asset structure. We further

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strengthened our support for sectors such as high-end equipment manufacturing, intelligent manufacturing and new materials. New business investment in the advanced manufacturing business for the year amounted to RMB13.886 billion, representing an increase of 10.6% as compared with the same period last year. As at the end of 2025, the present value of interest-earning assets attributable to our business in advanced manufacturing stood at RMB20.775 billion, representing an increase of 4.6% as compared with the end of last year. We have continuously enhanced our efforts in serving technology and innovation enterprises, facilitating the accelerated formation of new quality productive forces for the nation. New business investment in technology innovation leasing for the full year amounted to RMB8.604 billion, representing an increase of 67.7% as compared with the same period last year. As at the end of 2025, the present value of interest-earning assets attributable to our business in technology innovation leasing stood at RMB10.186 billion, representing an increase of 71.9% as compared with the end of last year. We further explored ways for financial leasing to support green “emission peak and carbon neutrality” development, contributing to the construction of a new energy system. In accordance with the Green Financial Leasing Project Recognition Rules in Shanghai, new business investment in the green leasing business for the year amounted to RMB6.652 billion. As at the end of 2025, the present value of interest-earning assets attributable to our business in green leasing amounted to RMB16.976 billion. We supported the development of computing power infrastructure and the next-generation information technology industry. New business investment in the digital economy business for the year amounted to RMB1.306 billion. As at the end of 2025, the present value of interest-earning assets attributable to our business in the digital economy amounted to RMB4.501 billion.

DEEPENING INTRA-GROUP SYNERGIES

The Group has deeply practiced the “One Guotai Haitong” philosophy and fully implemented the synergistic development strategy of Guotai Haitong Group. The Group took deep integration into the corporate client system of Guotai Haitong Group as the main focus, and vigorously promoted the implementation of “leasing + comprehensive finance” one-stop services, so as to effectively enhance the Group’s capacity for resource integration and efficient conversion. We have accurately identified the core value of the leasing business, built consensus on joint customer management and collaborative product promotion, and deepened comprehensive synergies across the four dimensions of investment, investment banking, research and wealth management, promoting the transition of collaborative development from mere task completion to delivering tangible results. In 2025, we proactively integrated ourselves into the broader development strategy of Guotai Haitong Group, and our leasing products were included in the unified business catalogue of Guotai Haitong Group, achieving full alignment with the Group’s “One Customer, One Solution” strategy. We successfully implemented multiple cross-divisional collaborative projects, providing Group customers with integrated and full-cycle comprehensive financial services of “financing with capital + goods + capital operation”. Throughout the year, the aggregate investment in collaborative leasing projects with Guotai Haitong Group exceeded RMB9 billion, representing a year-on-year increase of over 190%, continuously unleashing synergistic momentum.

Based in Shanghai and serving the whole nation, we continuously expanded the strategic reach of our branches, implemented the strategy of “focused deep cultivation, comprehensive expansion”, optimised the national regional business layout, increased business investment in economically developed regions, and built core regional industrial competitiveness. We continued to strengthen our efforts in the Yangtze River Delta region, built a collaborative customer service platform for the Yangtze River Delta, deepened cooperation with local state-owned enterprises and leading enterprises, and established regional business benchmarks. Branches across the country have leveraged local industrial characteristics to develop

diversified and differentiated business segments, focusing on efficient multi-point breakthroughs in project implementation centred around the “Three Leaders”, namely leading local industries, leading industrial parks, and leading manufacturers. In particular, the Hainan Branch seized the strategic opportunities of the Free Trade Port construction and actively explored business model innovations in the context of the independent customs operations. Through Party-building collaboration, bank-leasing coordination and other initiatives, our branches also effectively enhanced their local brand influence and overall market competitiveness. Furthermore, we have actively advanced cross-border leasing projects, supporting the global expansion of “Made in China” and helping quality enterprises enhance their global competitiveness. In 2025, the proportion of our new business investment in five key regions, comprising the Yangtze River Delta region, the Central China region, the Chengdu-Chongqing-Shaanxi region, the Greater Bay Area, and the Beijing-Tianjin-Hebei region, was over 85%, representing a year-on-year increase of over 16%. In particular, new business investment in the Yangtze River Delta increased by over 34% year-on-year, indicating a further focus of our business layout on economically advantageous regions.

The Group attaches great importance to inter-industry exchanges and industrial synergy, and continues to broaden cross-sector collaboration, thereby deeply promoting the transformation and development of its business through open cooperation. In 2025, we successfully hosted the 7th Industrial Cross-sector Customer Exchange Conference and the 2025 Yangtze River Delta Regional Customer High-Quality Development Promotion Conference, attended by over 330 customer representatives from the Yangtze River Delta region. Together with Guotai Haitong, we launched new comprehensive financial service solutions for corporate customers covering nine core areas, demonstrating the Group’s collaborative service capabilities. We continuously enhanced the level of external cooperation and were successfully elected as a vice-chairman unit of the G60 Sci-Tech Innovation Corridor ESG Development Alliance. We launched the Company’s special ESG products and products for the investment and construction period of industrial parks on the G60 official website, launched the “Sci-Tech Innovation Lease” product at the 2025 Shanghai Full-Lifecycle Sci-Tech Innovation Financial Service Centralised Launch Ceremony, and completed the centralised signing of bank-leasing cooperation at the 2nd Financial Leasing Asset Securitisation High-Quality Development Conference. With our outstanding performance in vigorously promoting the development of the industrial finance ecosystem, we won the “Model Award for Comprehensive Quality of Financial Leasing Institutions” at the 2025 Leasing Industry Industry-Finance Ecosystem Conference.

ACCELERATED DIGITAL AND INTELLIGENT TRANSFORMATION

The Group has deeply integrated fintech with financial leasing business, advancing the comprehensive implementation of digital and intelligent transformation to achieve visualised, dynamic and transparent management processes, thereby comprehensively enhancing operational efficiency and decision support capabilities. In 2025, we established a data governance system covering indicators, data, models and architecture, completed the digital and intelligent upgrade of our middle office system; the financial middle office was successfully launched, achieving business-finance integration and providing full-perspective data analysis to empower management decision-making, while concurrently promoting the full data migration and launch of the operations middle office and business middle office. On the customer service and business development front, we upgraded and optimised our internet-based customer acquisition mini-program and intelligent business assistant, and enriched the video due diligence mini-program with features adapted to diversified business scenarios. On the IoT application front, we enhanced the accuracy of our early warning model and improved license management efficiency through GPS technology. On the risk control system front, we successively established and launched the anti-fraud AI model and the preliminary risk screening model for inclusive leasing, added audio-video dual recording functionality to the electronic contract signing system, and steadily expanded electronic contract coverage. On

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the asset management front, we achieved online automated management throughout the full lifecycle of assets, significantly improving management efficiency. The company-level management dashboard has been progressively established, strengthening data visualisation and multi-dimensional quantitative analysis of core segments. Various AI-powered tools have been fully integrated into the entire business chain, including “Haitong Unitrust Companion Intelligent Assistant”, “Property Preservation AI Model”, “Leased Asset Smart Verification Engine”, “Asset AI Analysis Radar”, “AI Preliminary Credit Review Tool”, “Intelligent Electricity Bill Extraction”, and “AI Smart Eye for Leasing”, covering key stages of pre-lease, in-lease and post-lease operations.

The Group has comprehensively deepened the development of its technology governance system, laying the institutional foundation for standardised and efficient technology operations. We optimised our infrastructure guided by cost reduction and efficiency enhancement, promoted the construction of the cloud management platform driven by technological innovation, and expanded the capacity of the Haitong Unitrust Computing Platform and privately deployed multiple large language models, AI knowledge bases and AI inference platforms, providing technical support for the Company’s digital and intelligent transformation. We attach great importance to building information security capabilities on an ongoing basis. Our core business systems have obtained Level 3 certification under the Data Security Capability Maturity Model (DSMM), and our information security system has obtained ISO27001 certification, significantly enhancing our security protection capabilities. In 2025, with our continuous innovation and practical achievements in the fintech field, we won the “Leading Enterprise Award” and “Innovation Breakthrough Enterprise Award” under the “Golden Wings Award” at the 6th Financial Technology Application and Service Conference.

CONTINUOUS INNOVATION IN FINANCING INSTRUMENTS

The Group has continuously deepened cooperation with banks and other financial institutions, optimised credit terms, and achieved a sustained reduction in financing costs. As at December 31, 2025, we had established credit cooperation relationships with 63 financial institutions, with aggregate credit facilities of approximately RMB109.8 billion, of which the unused credit balance was approximately RMB57.8 billion. The balance of the Group’s direct financing accounted for 50%, mainly comprising ultra-short-term commercial papers, short-term commercial papers, medium-term notes, corporate bonds and asset-backed securities; the balance of indirect financing accounted for 50%, mainly comprising syndicated loans, bank working capital loans, bank factoring and bank acceptance bills. The ratio of direct financing to indirect financing was relatively reasonable, and the financing structure was stable, effectively reducing financing costs. In 2025, the average cost of interest-bearing liabilities was 2.85%, representing a decrease of 0.52 percentage points as compared with last year.

In 2025, we were committed to continuously promoting the innovation of financing instruments centring on the “Five Major Sectors of Finance”. We achieved innovative breakthroughs in the green finance sector, and successively arranged the first “ESG + Two Major and Two New Initiatives” themed syndicated loan in the leasing industry and the first environmental protection-themed syndicated loan in the leasing industry, involving the New Development Bank, an international multilateral development institution. Meanwhile, we successfully issued “Sci-Tech Innovation” and “Support for Medium-, Small- and Micro-Sized Enterprises” corporate bonds, as well as asset-backed securities products for the “Yangtze River Economic Belt”, “Integrated Development of the Yangtze River Delta” and “High-Quality Development of MSEs”, guiding high-quality funds to serve the real economy. Based on the performance of our financing business in supporting industrial development and innovation, we were honoured with four awards under the China Financial Leasing Industry Innovative Financing “Golden Spring Awards” at the 2nd Financial Leasing Asset Securitisation High-Quality Development Conference: “Annual Best Financial

Leasing Industry Bond Originator Award”, “Annual Best Innovative Financing Project Award”, “Annual Best Technology Innovation Capital Market Innovative Financing Award”, and “Annual Best Inclusive Leasing Capital Market Innovative Financing Award”.

IMPROVING COMPLIANCE AND RISK CONTROL

We adhere to our compliance philosophy of “compliance by all employees, compliance starts with the management, compliance creates value and compliance is fundamental for the existence of the Company” and strictly observe the bottom line of compliant operations. We have strengthened compliance management through measures including improving the institutional system, refining institutional regulations, and strengthening the oversight of institutional implementation, thereby enhancing compliance governance capabilities. We continuously monitored regulatory policy developments in the financial leasing industry and strengthened the integration of business and policies. We also continuously supervised the implementation of various systems through measures such as compliance reviews, compliance inspections and compliance assessments, effectively implementing the spirit of managing personnel and operations through institutional frameworks. In 2025, the Company continued to deepen the foundation of compliance management and enhance the effectiveness of compliance governance through various measures. Throughout the year, we organised nearly 100 compliance training sessions. The Company published the Monthly Report on Regulatory Dynamics on a regular basis, tracking and analysing peer penalties and judicial cases, providing systematic interpretations of new policies and regulations such as the Measures for the Compliance Management of Financial Institutions, and strengthening risk warning and response capabilities. Targeted training programs were conducted for part-time compliance officers, new employees, and other relevant personnel to push compliance responsibilities to the frontline. Meanwhile, we actively participated in external training organised by industry associations, continuously benchmarked against regulatory requirements, strengthened the business compliance defence line, and effectively improved the professional conduct and execution capabilities of all employees based on the principle of “compliance first”.

The Group continued to improve its comprehensive risk management system based on its prudent and proactive, full-cycle and full-process risk management philosophy. Efforts were made to improve the soundness of its management system and organisational structure, the reliability of its information system, the professionalism of its talent team, the effectiveness of its risk response mechanism and the pervasiveness of its risk management culture. These measures safeguarded asset security and ensured that overall risks stayed controllable, manageable, and acceptable. We emphasised a data-based, quantification-oriented, research-driven, and fintech-enabled approach to enhance our full-process risk management capabilities and proactive risk management standards, and integrated various risk control measures into every aspect of our business operations. In 2025, we formulated and issued the Risk Appetite Management Measures, revised core risk control indicators, and further refined our comprehensive risk management framework. We advanced the development of risk models and approval systems based on big data analytics, enhancing our full-process risk management and control capabilities. We continued to optimise our risk management information systems, deepened the application of financial technology in risk management, and strengthened our capabilities in forward-looking risk early warning and proactive prevention, thereby fortifying the defensive line of asset quality. During the Reporting Period, the Group’s asset quality remained generally stable. The NPA ratio as at the end of the year was 1.16%, representing a decrease of 0.01 percentage points as compared with the end of last year, achieving a decrease in both the NPA ratio and the balance of NPAs. All asset quality indicators remained at a safe and controllable level. The allowance coverage ratio for NPAs as at the end of the year was 304.71%, remaining stable at over 300%, indicating a relatively sufficient risk resilience capability.

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PROMINENT ACHIEVEMENTS IN SOCIAL RESPONSIBILITIES

The Group has actively fulfilled its social responsibilities, continuously enhanced its ESG governance capabilities, promoted the coordinated development of economic benefits and social value, and achieved the continued enhancement of the “Haitong Unitrust” brand image. We strengthened the “Haitong Unitrust Aspirations” public welfare brand, continued to refine our volunteer system, and carried out diverse philanthropic activities on a regular basis. Following the fire incident in Hong Kong, we made an emergency donation of HK\$1.0 million for disaster relief and reconstruction. We carried out public welfare projects to enhance the educational quality of the Mengban Township Kindergarten in Jinggu County, Yunnan Province, and participated in the “First Greeting” youth assistance and educational support initiative in Huangpu District. We organised participation in volunteer services at the 8th China International Import Expo, “World First Aid Day” activities, and the “South Bund Financial Express” community service, actively fulfilling our social responsibilities as a state-owned enterprise and a company listed on the Hong Kong Stock Exchange. In 2025, in recognition of our outstanding performance in fulfilling social responsibilities and advancing ideological and political development, we were re-assessed and successfully recognised as “Shanghai Civilised Entity” by the Shanghai Municipal People’s Government.

With “Long-lasting Mutual Trust Brings Together the Future” (恆久互信·融聚未來) as our sustainable development concept, we have reached a consensus on sustainable development and established three pillars of sustainable development, namely “Long-lasting: sustainable business”, “Harmony: stable operation” and “Trust: responsible citizen”. By setting clear development goals and action plans, we are comprehensively advancing sustainability initiatives, collaborating with key stakeholders to co-create value and foster integration. We have continued to strengthen our top-down ESG governance framework, further refining the division of responsibilities in ESG management, enhancing cross-departmental collaboration, and strengthening cooperation with external experts. As a result, our ESG management system has operated in a stable manner. Our sustainability plan sets out specific action goals across nine key areas: green finance, climate change mitigation and adaptation, inclusive finance, financial technology, rural revitalisation and community engagement, human capital development, ESG risk management, corporate governance, and compliant operations. This plan is fully integrated into every aspect of strategic planning and daily operations. In 2025, underpinned by our advanced ESG management philosophy and continuously improving ESG governance standards, we received an “A” rating in the Wind ESG 2025 Rating, with our results across multiple mainstream domestic ESG ratings ranking at industry-leading levels. Our case study on ESG governance framework development and strategic practice, and our green heavy-duty truck financial leasing project were respectively honoured with the “ESG Governance and Strategy Demonstration Award” and the “Sustainable Product Innovation Award” at the 10th “Value Co-Creation” China Corporate Sustainability Case Awards. Our case study on financial leasing in support of ecological and environmental protection and the green energy industry was successfully selected as an outstanding case in the Blue Book on Environmental, Social and Governance (ESG) of State-Owned Listed Companies in Shanghai (2025).

MAJOR AWARDS AND HONOURS

No.	Awarding body	Award or honour received
1	Shanghai Municipal People's Government	Shanghai Civilised Entity
2	Huangpu District People's Government of Shanghai Municipality	Huangpu Top 100 Award for High-Quality Economic Development
3	Yangtze River Delta G60 Sci-Tech Innovation Corridor ESG Development Alliance	Vice Chairman Unit of the First Council
4	China Green Leasing Innovation and Development Annual Conference (2025) & Yangtze River Delta G60 Sci-Tech Innovation Corridor ESG Development Alliance Cooperation and Exchange Conference	Top 50 Green Leasing Companies in China Hydrogen Energy Leasing Products — Best Case at the 2nd National Green Leasing Innovation Cases Competition
5	The 2nd High-Quality Development Conference on Financial Leasing Asset Securitisation	Golden Spring Awards — Annual Best Financial Leasing Industry Bond Originator Award, Annual Best Inclusive Leasing Capital Market Innovative Financing Award, Annual Best Innovative Financing Project Award, Annual Best Technology Innovation Capital Market Innovative Financing Award
6	2025 (12th) Global Leasing Industry Competitiveness Forum & Annual Summit	2025 China Financial Leasing “Tengfei Award — Leading Leasing Enterprise in Supporting a Strong Manufacturing Powerhouse”
7	The 10th Value Co-Creation (ESG) Annual Trends Forum	Case Study on ESG Governance System Development and Strategic Practice — China Corporate Sustainable Development Case ESG Governance and Strategy Demonstration Award; Green Heavy-Duty Truck Financial Leasing Project — China Corporate Sustainable Development Case Sustainable Product Innovation Award
8	The 3rd Shanghai Green and Low-Carbon Technology Innovation Competition	Outstanding Green Benefits Action Organisation Award; Waste Lead-Acid Battery and Lead Waste Recycling Project — Green Benefits Contribution Award; Distributed Photovoltaic Project — Green Benefits Contribution Award
9	2025 Leasing Industry Industry-Finance Ecosystem Conference	Model Award for Comprehensive Quality of Financial Leasing Institutions
10	The 6th Financial Technology Application and Service Conference	Golden Wings Award — Leading Enterprise Award, Innovation Breakthrough Enterprise Award
11	2025 Commercial Vehicle Finance Conference	Leading Star in Commercial Vehicle Finance Business
12	The 3rd Shandong Leasing Annual Conference	Lyocell Fibre Direct Leasing and Leaseback Project — “Mount Tai Cup” Annual Exemplary Case: Excellent Case for Outstanding Contribution to Serving the Real Economy
13	Jiangsu Financial Leasing Industry Association	Methanol Range-Extended Mining Truck Direct Leasing Project — 2025 Outstanding Case

Furthermore, the Group achieved innovative breakthroughs in the green finance sector, and successively arranged the first “ESG + Two Major and Two New Initiatives” themed syndicated loan in the leasing industry and the first environmental protection-themed syndicated loan in the leasing industry, involving the New Development Bank, an international multilateral development institution.

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3. OPERATION OUTLOOK

Looking ahead to 2026, the global economic recovery will continue to face headwinds and numerous challenges amid the combined effects of multiple factors, including geopolitical disputes, heightened trade tensions and increasing policy uncertainty. At the same time, the global industrial landscape is undergoing accelerated restructuring, with emerging markets accounting for an ever-increasing share of trade volume and expansion, and the global economy is gradually moving towards a new development paradigm. China will maintain the openness of its economy and its connectivity with the world economy, continue to expand capacity and improve quality, achieve breakthroughs in innovation, and advance towards innovation-driven and high-end development, countering the uncertainties in the international environment with the certainty of high-quality development. The Chinese government will adhere to the general principle of pursuing progress while maintaining stability, continue to implement more proactive and effective fiscal policies and moderately accommodative monetary policies, closely focus on developing new quality productive forces, accelerate the cultivation and strengthening of new growth drivers, and promote the effective improvement of quality and reasonable growth of quantity in the economy.

In 2026, the Group will closely follow national strategic directions, anchor itself to the blueprint of the 15th Five-Year Plan, insist on providing leasing services, and cultivate deep expertise in the real economy. The Group will focus on key sectors such as new energy and technology innovation to accelerate its industry-oriented transformation, upgrade customer hierarchy, deepen intra-group synergies and regional presence, and accelerate its integration into the corporate customer ecosystem of Guotai Haitong. The Group will make concerted efforts to increase the proportion of direct leases and enhance asset quality, accelerate the iterative development of financial technology and digital-intelligence, upgrade its full-cycle compliance and risk control framework, issue innovative financing instruments, broaden green financing channels, and optimise its talent organisation and incentive mechanisms. With synergistic efficiency gains, digital-intelligence empowerment, and compliant and prudent operations as support, the Group will spare no effort to pursue specialised, high-quality and sustainable development, providing greater financial impetus to support national strategies.

INSISTING ON PROVIDING LEASING SERVICES TO WRITE A CHAPTER FOR THE FIVE MAJOR SECTORS OF FINANCE THROUGH INNOVATION

The Group will insist on providing leasing services, closely follow the national strategic guidance of “leading the development of new quality productive forces through technological innovation”, seize the development opportunities presented by new quality productive forces, and continuously deepen business innovation and development planning in the strategic directions of the “Five Major Sectors of Finance”, namely technology finance, green finance, inclusive finance, pension finance, and digital finance. The Group will adhere to innovation-driven development and actively conduct research in frontier fields such as new quality productive forces, the low-altitude economy, intelligent manufacturing, and green technology. We will develop innovative business models in a compliant manner, promote the large-scale and standardised implementation of innovative leasing products, and keep pace with industrial innovation. By building diversified comprehensive financial solutions, we will assist enterprises in technological upgrading and transformational development, providing stronger financial support for the cultivation of new quality productive forces.

We will continuously promote the deep integration of financial leasing with the real economy, constantly improving the quality and efficiency of serving the real economy. Closely aligning ourselves with national industrial policies and the large-scale equipment renewal strategy, we will proactively position ourselves in emerging industries, strengthen our capabilities in integrating industry and finance, and refine our specialised and distinctive product and service offerings, injecting financial vitality into industrial upgrading and structural adjustment. We will continue to strengthen business expansion centred on leased assets, strengthen asset allocation and management for direct lease business, and drive the steady expansion of our direct lease business, further strengthening our internal growth momentum and professional competitiveness.

DEEPENING PRESENCE IN THE INDUSTRIAL ECOSYSTEM AND BUILDING A CUSTOMER-ORIENTED INDUSTRY-FINANCE ECOSYSTEM

The Group will adhere to a customer-oriented approach, and will provide all-round, multi-level and personalised financial services for various enterprises to fully meet the differentiated needs of different customers.

In terms of the continuous development of major customers and large projects, we will serve national strategies and key industrial sectors, closely follow policy guidance, and deepen our understanding of industries. Focusing on customer needs in emerging industries such as advanced manufacturing, green and low-carbon development, the digital economy, and technology innovation, we will build a comprehensive service model with leased assets as the core and industrial chains as the support. We will continuously increase business investment in high-quality customers in emerging industries, constantly promote the innovation of service models, and assist customers in high-end, intelligent and green development. At the same time, we will deepen strategic cooperation with industry leaders, state-owned and central enterprises, and high-quality enterprise customers, leveraging customer relationships to jointly build an industry-finance ecosystem characterised by industrial synergy, resource sharing and risk sharing, thereby achieving mutually beneficial outcomes and growth with our customers.

In terms of supporting the development of medium-, small- and micro-sized enterprise customers, we will draw upon our distinctive advantage of “financing with capital + goods”, focusing on customer groups such as high-quality MSEs with growth potential and innovative market participants, gaining deeper insight into customers’ core needs and tailoring financial services accordingly. We will strengthen our ecosystem collaboration with partner manufacturers and, taking the full life-cycle needs of customers as the starting point, create a closed-loop financial services model covering the entire chain of equipment production, circulation and utilisation, thereby providing concrete support for the steady growth of MSE customers. Meanwhile, we will focus on customers associated with rural revitalisation and coordinated regional development, offering distinctive and inclusive financial support to foster the long-term development of outstanding medium-, small- and micro-sized enterprises.

STRENGTHENING STRATEGIC SYNERGIES AND PROMOTING INTEGRATED BUSINESS DEVELOPMENT

The Group will adhere to the development philosophy of “serving the real economy, leveraging regional characteristics, and strengthening intra-group synergies”. We will continuously promote the transformation towards “marketisation, specialisation and digital-intelligence transformation”. We will fully implement the business strategy of “risk control as the foundation, progress in stability, digital-intelligence empowerment, management quality improvement and synergistic efficiency enhancement”, constantly improving governance efficiency and comprehensive competitiveness. We will deepen our strategic synergy

Management Discussion and Analysis

with Guotai Haitong Group through the coordinated linkage of “investment, investment banking and investment research”, establishing and refining regularised mechanisms for customer sharing, joint project research and joint risk control, driving resource integration and capability complementarity, and translating comprehensive financial advantages into business development momentum. Through product integration, channel sharing and service coordination, we will continuously enhance the level of comprehensive financial services provided to strategic customers and ecosystem partners of Guotai Haitong Group.

Meanwhile, the Group will further deepen the layout of its “One Body, Two Wings” marketing network, promote the orderly operation of internal synergy mechanisms, facilitate the complementarity of resources and professional strengths, and accelerate integrated business development. Our business headquarters and business divisions will focus on their respective core industries, study the conversion mechanism from industrial ecosystem incubation to business results, and build an industrial finance ecosystem to achieve mutually beneficial and win-win outcomes with industrial partners. Our branches will focus on the development of local resources, efficiently integrate regional resources, form strategic synergy with business headquarters and business divisions driven by regional characteristics, serve the regional economy flexibly and efficiently, and build a competitive moat based on regional characteristics. MSE Subsidiary will closely align itself with the blueprint of the national 15th Five-Year Plan, cultivating deep expertise in equipment differentiation, product specialisation and intelligent asset management, building an ecosystem for the circulation of full life-cycle value of equipment, and striving to be a solid financial partner for medium-, small- and micro-sized enterprises, real economy enterprises and technology enterprises. UniFortune Subsidiary will anchor itself to the goals of “emission peak and carbon neutrality” and building a transportation powerhouse. Centring on intelligent and green development, it will explore frontier sectors such as new energy vehicles, hydrogen-powered heavy-duty trucks, unmanned mining trucks, smart ports, and logistics parks. It will closely collaborate with full-chain partners including OEMs, technology companies, chain owner enterprises, and operators, continuously enhancing brand influence and market position in the transportation and logistics field.

UPHOLDING RISK CONTROL AND COMPLIANCE TO ENHANCE GROUP-LEVEL MANAGEMENT AND CONTROL

The Group will continue to refine its comprehensive risk management framework, with a focus on enhancing its capabilities in the precise identification, prudent assessment, dynamic monitoring and swift handling of various risks. By continuously optimising risk management models and system tools, the Group aims to further strengthen its quantitative risk management and forward-looking forecasting capabilities. Leveraging a well-established risk management system underpinned by robust policies and procedures, the Group will foster a proactive risk management mechanism featuring comprehensive coverage, full participation and full-process implementation. Meanwhile, the Group will continue to enhance asset inspection and follow-up review efforts, advance the application of technology in asset management, and effectively improve the efficiency of risk prevention, control and mitigation, so as to ensure the high-quality and sustainable development of its operations.

We will strictly observe the bottom line of compliant operations, continuously enhance the compliance awareness of all employees, and further reinforce the responsibilities of the Board, senior management, and departments such as the Risk Management Department, the Compliance Department, the Credit Review & Approval Department, the Business Department, the Audit Department, and the Disciplinary Inspection Office, so as to implement coordinated management of key aspects of risk management. We will actively monitor changes in the regulatory environment, strictly implement industry regulatory policies, and promote the development of and improvement in compliance culture and internal policies. We will continuously improve the subsidiary management system, promote efficient coordination between subsidiary management and corporate governance and compliance management, and enhance the overall level of the Group’s compliance control.

OPTIMISING FINANCING STRUCTURE AND FIRMLY SAFEGUARDING THE BOTTOM LINE OF LIQUIDITY SAFETY

The Group will further strengthen cooperation with core strategic financial institutions, steadily advance the optimisation of credit terms and build up channel reserves, and promote the implementation of a wider range of innovative financing instruments. We will continuously refine the financing maturity matching system to prevent the risk of mismatch in project funds, and refine Group fund management to further improve capital turnover efficiency.

The Group carries out liquidity management under the framework of the comprehensive risk management system, safeguarding the bottom line of liquidity safety to ensure liquidity safety. The Group utilises instruments such as liquidity risk management tools and monitoring indicators for the duration gap of assets and liabilities to implement daily liquidity management. We employ tools such as stress testing and sensitivity analysis to strengthen proactive management capabilities for liquidity risk, thereby safeguarding a sound and stable asset-liability structure.

STRENGTHENING FINTECH CAPABILITIES AND DRIVING DIGITAL AND INTELLIGENT DEVELOPMENT

The Group firmly advances its fintech strategy, continuously enhances the effectiveness of technology governance, actively introduces cutting-edge technologies, promotes the widespread adoption of innovative applications, and deepens its technology-driven digital transformation. We will further strengthen the construction of the data governance system to realise refined operation of data assets, and promote DCMM certification in an orderly manner to effectively safeguard data security. We will undertake a comprehensive upgrade of our intelligent business analytics platform, integrating business management data to build a unified data centre for management decision-making. We will initiate the development of a next-generation core business system covering all business lines and processes, and continue to refine our risk control framework to enhance the efficiency and precision of risk control decision-making. We will optimise the risk management portal to enhance capabilities in risk identification, early warning and control, and deepen the integration of IoT data and application scenarios to improve the quality and efficiency of asset management. In the fields of technology and business, we will deeply apply artificial intelligence technologies in the entire workflow encompassing project application, credit review, business operations and risk control, thereby reinforcing our capabilities in information integration, automated processing and data analytics, and ultimately delivering an intelligent operational experience of “instant analysis through Q&A”.

Meanwhile, guided by a development pathway of “digitalisation — platformisation — intelligentisation”, we will continue to drive progressive upgrades in our level of digitalisation. We will continuously deepen our technological capabilities, with our priorities increasingly focused on forward-looking technology planning and the systematic empowerment of technological innovation. In terms of technology planning, we will further strengthen top-level design, adopting business strategy as the guiding principle to refine a closed-loop mechanism encompassing technology insights, roadmap planning and resource deployment, ensuring that technology investment is precisely anchored to future growth drivers. In terms of technological innovation, we will continuously expand computing power resources, deepen the integration of “AI + business” scenarios, promote the penetration of intelligent applications from single-point breakthroughs to the entire operation chain, and build continuously leading technological competitiveness. In addition, we will keep strengthening the development of our cybersecurity, and data security systems, thereby building a robust security barrier for digital and intelligent development.

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OPTIMISING MANAGEMENT MECHANISMS TO BUILD A SOLID TALENT FOUNDATION THROUGH BOTH RECRUITMENT AND DEVELOPMENT

Our experienced and visionary management team and advanced talent management system are important competitive advantages that underpin the Group's continual growth and maintenance of its leading position in China's financial leasing industry. Guided by strategic synergy across the Group, we will pursue the objectives of "flatter structures, greater specialisation and more intensive operations" to build a more agile and efficient organisational framework, thereby stimulating organisational vitality through reform. By strengthening the coordination among the front, middle and back offices, we will ensure that business decisions and resource allocation are closely aligned with strategic objectives, respond swiftly to market demand, and are executed with precision, thereby stimulating the organisation's intrinsic vitality and market competitiveness. We will uphold the principle of Party-led talent management and fulfil the primary responsibilities for building the talent team. The structure of the talent team will be optimised with equal emphasis on quality and quantity, and a comprehensive and professional training system will be established to empower talent development. We will place equal emphasis on incentives and constraints to stimulate the vitality of our talent team. With a focus on enhancing motivation, stimulating vitality and improving efficiency, we will implement a market-oriented position system and employee promotion mechanism, refine long-term mechanisms for performance appraisal and remuneration incentives, and attract and retain top-tier industry talent. We will build career growth platforms and construct reasonable and smooth career development paths. Combining the Group's long-term development with employees' career growth, we will provide diversified benefits and welfare to effectively enhance employees' sense of achievement and fulfilment.

We will continue to carry out diversified talent acquisition programs, including internships, campus recruitment and industry-specific talent initiatives, with external recruitment and internal development complementing each other to achieve efficient and diversified talent sourcing and continuously expand the scale of our talent reserves. In terms of talent cultivation, we are committed to advancing innovation-driven development and systematic empowerment in parallel, fostering an environment that encourages innovation and value creation. Through initiatives such as the establishment of collaborative innovation mechanisms, and the creation of agile teams that integrate training with real-world practice, we identify and nurture innovative talent. We are building a layered empowerment platform and developing the "Haitong Unitrust Lecture Hall" brand, broadening employees' horizons and enhancing their overall competence across dimensions including current affairs, industry research and professional development. Leveraging the "Sunflower Program" brand, we will develop premium courses aligned with business development needs, promote localised and personalised business training, identify and cultivate high-potential talent, and support organisational and business growth. We are also building an industry-specific talent development framework, closely aligned with the direction of industry-oriented transformation and market deployment on the business front, to build up a sufficient talent pipeline in support of transformation and development.

4. ANALYSIS OF CONSOLIDATED STATEMENT OF PROFIT OR LOSS

4.1 OVERVIEW OF CONSOLIDATED STATEMENT OF PROFIT OR LOSS

In 2025, the Group realised total revenue and other income, gains of RMB7,327.6 million, total expenses of RMB5,434.4 million, and profit for the year of RMB1,424.8 million.

The following table summarises our consolidated results of operations for the periods indicated:

	For the year ended December 31,		Changes
	2025	2024	
	(RMB in millions)		
Total revenue	6,819.8	7,139.2	(4.5%)
Net investment gains	203.6	167.9	21.3%
Other income, gains or losses	304.2	1,547.6	(80.3%)
Total revenue and other income, gains	7,327.6	8,854.7	(17.2%)
Depreciation and amortisation	(374.3)	(389.4)	(3.9%)
Staff costs	(741.0)	(723.0)	2.5%
Interest expenses	(2,446.2)	(3,056.8)	(20.0%)
Other operating expenses	(365.4)	(1,199.1)	(69.5%)
Impairment losses under expected credit loss model	(1,498.3)	(1,512.2)	(0.9%)
Other impairment losses	(9.2)	(12.7)	(27.6%)
Total expenses	(5,434.4)	(6,893.2)	(21.2%)
Profit before income tax	1,893.2	1,961.5	(3.5%)
Income tax expenses	(468.4)	(448.6)	4.4%
Profit for the year	1,424.8	1,512.9	(5.8%)
Earnings per share attributable to ordinary shareholders of the Company (RMB yuan/share)			
— Basic	0.16	0.17	
— Diluted	N/A	N/A	

Management Discussion and Analysis

4.2 TOTAL REVENUE AND OTHER INCOME, GAINS

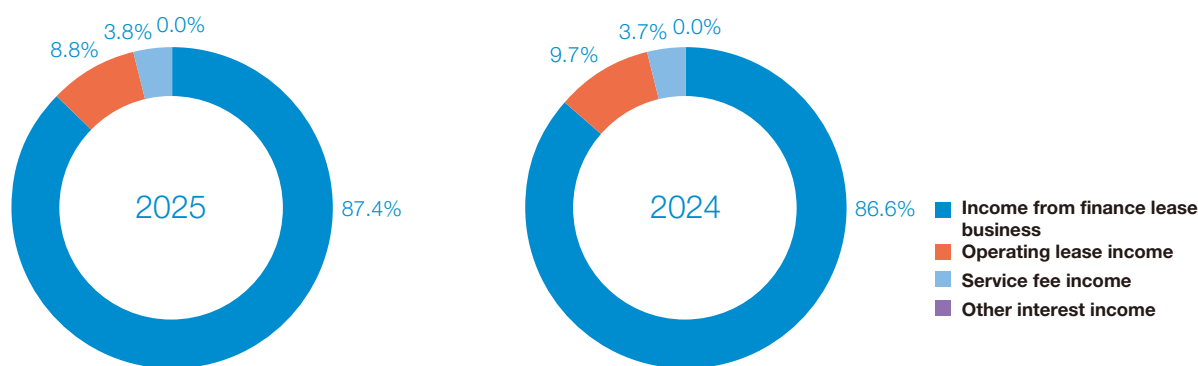
In 2025, the Group realised total revenue and other income, gains of RMB7,327.6 million, of which total revenue was RMB6,819.8 million, representing a decrease of 4.5% in total revenue as compared with RMB7,139.2 million last year, which was mainly due to the decline in the Group's income from finance lease business and operating lease income as compared with last year.

The following table sets forth the contribution of each business to our total revenue for the periods indicated:

	For the year ended December 31,				Changes
	2025	% of total	2024	% of total	
(RMB in millions, except percentages)					
Income from finance lease business ^(Note)	5,963.6	87.4%	6,176.8	86.6%	(3.5%)
Operating lease income	598.1	8.8%	693.9	9.7%	(13.8%)
Service fee income	258.1	3.8%	266.9	3.7%	(3.3%)
Other interest income	0.0	0.0%	1.6	0.0%	(100.0%)
Total revenue	6,819.8	100.0%	7,139.2	100.0%	(4.5%)

Note: Income from finance lease business includes finance lease income and interest income from sale and leaseback arrangements.

Breakdown of percentage of total revenue



The Group insisted on providing leasing services, deepened industrial transformation, operated steadily, and continued to increase the proportion of income from finance lease business. In 2025, income from finance lease business accounted for 87.4% of the Group's total revenue, representing an increase of 0.8 percentage points in proportion as compared with last year, and operating lease income accounted for 8.8% of the Group's total revenue. The combined proportion of income from finance leases and operating leases reached 96.2%.

Management Discussion and Analysis

CUSTOMER ANALYSIS

We have a broad customer base. Our customers include LME customers, MSEs ¹ & individual customers.

The following table sets forth the average present value of interest-earning assets, interest income and average yield for each type of customer for the periods indicated:

	For the year ended December 31,					
	2025			2024		
	Average present value of interest-earning assets ⁽¹⁾	Interest income ⁽²⁾	Average yield ⁽³⁾	Average present value of interest-earning assets ⁽¹⁾	Interest income ⁽²⁾	Average yield ⁽³⁾
	(RMB in millions, except percentages)					
LME customers	84,489.6	5,313.9	6.29%	83,585.2	5,130.1	6.14%
MSEs & individual customers	8,695.7	649.7	7.47%	13,440.3	1,048.3	7.80%
Total	93,185.3	5,963.6	6.40%	97,025.5	6,178.4	6.37%

(1) The average present value of receivables from finance lease business, etc. before deduction of allowances for impairment losses as at the end of last year and the middle and the end of the year.

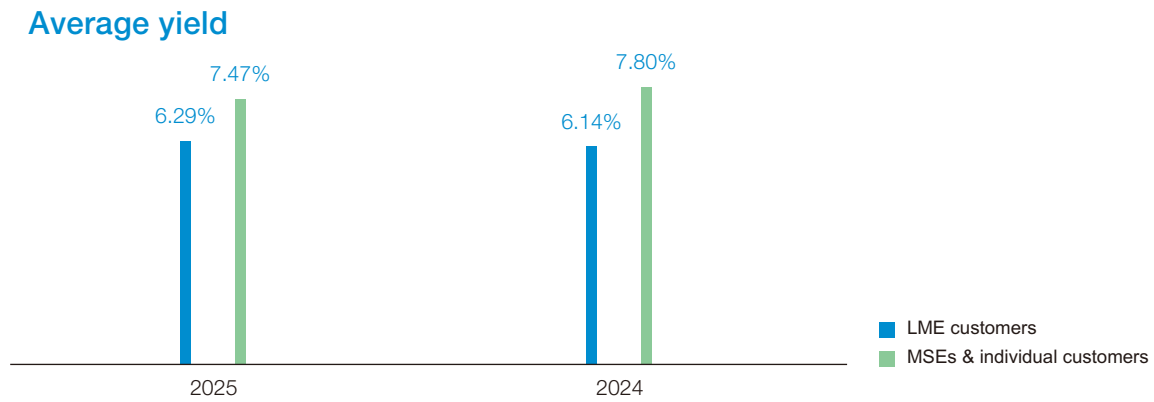
(2) Consists of income from finance lease business and other interest income for the specific types of customers.

(3) Calculated by dividing the sum of income from finance lease business and other interest income by the average present value of interest-earning assets.

¹ MSE customers refer to enterprises with annual revenue of RMB100 million or below and with a net financing amount under any single contract entered into with us of no more than RMB10 million. The amount of RMB10 million mentioned above is consistent with the definition of loans to MSEs as stipulated by the National Financial Regulatory Administration (previously known as the CBIRC) (single credit of no more than RMB10 million (inclusive)).

Management Discussion and Analysis

The chart below illustrates the average yield by type of customer for the periods indicated:

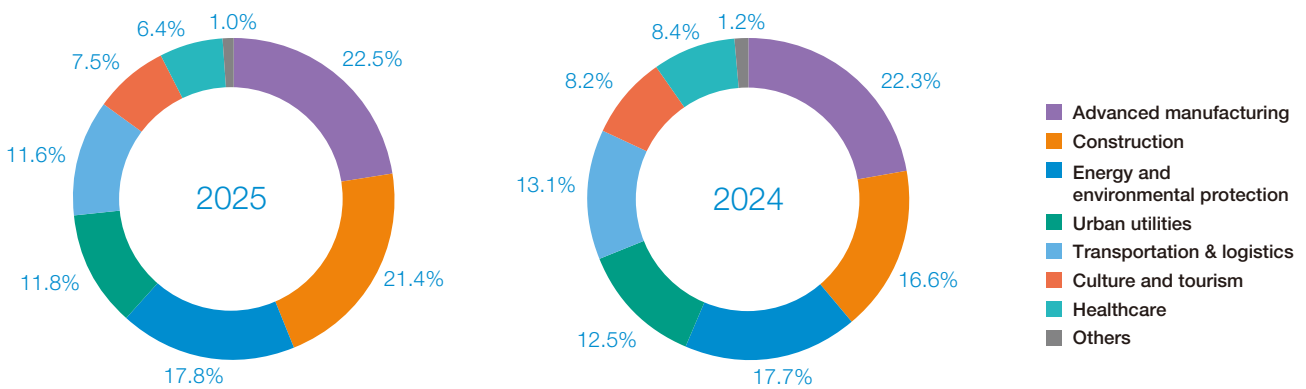


In 2025, the Group's average yield was 6.40%, remaining relatively stable as compared with last year, of which the average yield of LME customers was 6.29%, and the average yield of MSEs and individual customers was 7.47%. Amid intensifying industry competition and declining market interest rates, the Group focused on core customer groups with outstanding value contributions and high-quality customers deeply rooted in industries, kept expanding key customer base and significantly upgraded customer hierarchy.

INCOME FROM FINANCE LEASE BUSINESS

In 2025, the Group realised income from finance lease business of RMB5,963.6 million, representing a decrease of 3.5% as compared with last year, which was mainly due to the complex and volatile macroeconomic environment, declining market interest rates, intensifying industry competition, and the scarcity of high-quality assets, the Group adhered to steady operation, continuously upgraded customer hierarchy, optimised asset structure, and surrendered benefits to the real economy, resulting in a decrease of the average present value of receivables from finance lease business and a corresponding decline in interest income. The Group focused on the “Five Major Sectors of Finance”, deeply engaged in high-quality industries, and strengthened group collaboration and synergies, thoroughly activating customer resources to better meet the diverse needs of customers.

Income from finance lease business by industry



Management Discussion and Analysis

OPERATING LEASE INCOME

In 2025, the Group realised operating lease income of RMB598.1 million, representing a decrease of 13.8% as compared with last year, which was mainly due to the decrease in rental income as a result of the decline in the scale of aircraft operating lease assets. The net lease yield of the Group's aircraft operating lease business was 9.66%.

As at December 31, 2025, the Group owned a total of 16 aircraft (including six Airbus narrow-body aircraft, two Airbus wide-body aircraft and eight Boeing narrow-body aircraft) with a total net carrying amount of approximately US\$643.7 million (equivalent to approximately RMB4,524.6 million). In addition, as at December 31, 2025, the Group had no commitments to purchase aircraft. In 2025, the Group disposed of one aircraft. The following table sets forth the details of the aircraft operating lease business:

Model	Number of aircraft		Total
	Self-owned aircraft	Aircraft to be purchased under commitment	
Airbus A320	4	0	4
Airbus A321	2	0	2
Airbus A350	2	0	2
Boeing B737-800	8	0	8
Total	16	0	16

SERVICE FEE INCOME

We provide various advisory services to customers. In 2025, the Group realised service fee income of RMB258.1 million, representing a decrease of 3.3% as compared with last year. Service fee income was mainly derived from the advanced manufacturing, construction, energy and environmental protection, healthcare, transportation & logistics, culture and tourism, and urban utilities industries, etc.

OTHER INCOME, GAINS OR LOSSES

In 2025, the Group realised other income, gains or losses of RMB304.2 million, representing a decrease of 80.3% as compared with last year, which was mainly because the Group recognised income from government outsourcing business last year, while no such income was recognised in the current year, and government grants, net foreign exchange gains or losses, and interest income from deposits with financial institutions decreased as compared with last year.

Management Discussion and Analysis

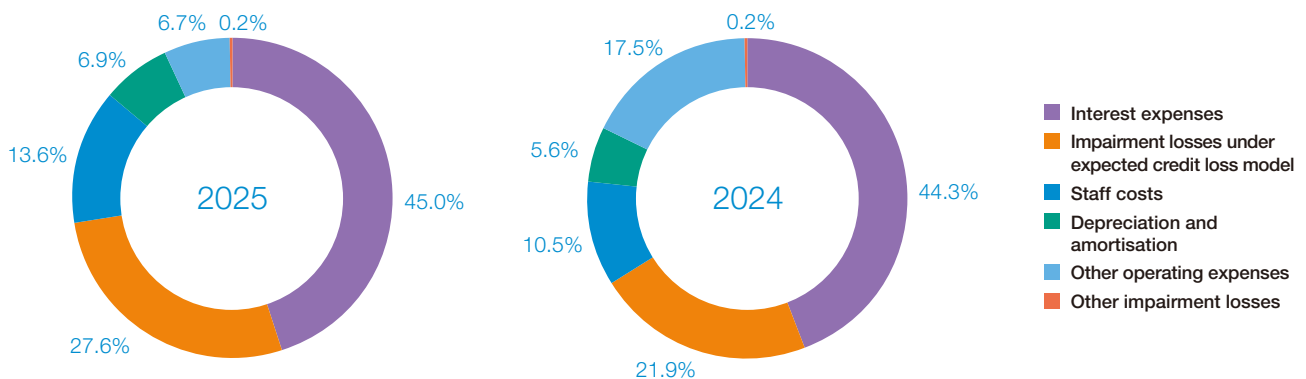
4.3 EXPENSES

In 2025, the Group's total expenses amounted to RMB5,434.4 million, representing a decrease of 21.2% as compared with last year, which was mainly due to the decrease in other operating expenses and interest expenses as compared with last year.

The following table sets forth the breakdown of our expenses for the periods indicated:

	For the year ended December 31,				
	2025	% of total	2024	% of total	Changes
	(RMB in millions, except percentages)				
Depreciation and amortisation	374.3	6.9%	389.4	5.6%	(3.9%)
Staff costs	741.0	13.6%	723.0	10.5%	2.5%
Interest expenses	2,446.2	45.0%	3,056.8	44.3%	(20.0%)
Other operating expenses	365.4	6.7%	1,199.1	17.5%	(69.5%)
Impairment losses under expected credit loss model	1,498.3	27.6%	1,512.2	21.9%	(0.9%)
Other impairment losses	9.2	0.2%	12.7	0.2%	(27.6%)
Total expenses	5,434.4	100.0%	6,893.2	100.0%	(21.2%)

Breakdown of percentage of total expenses



In 2025, interest expenses amounted to RMB2,446.2 million, accounting for 45.0% of the Group's total expenses and representing a decrease of 20.0% as compared with the interest expenses of RMB3,056.8 million last year, and other operating expenses amounted to RMB365.4 million, accounting for 6.7% of the Group's total expenses and representing a decrease of 69.5% as compared with the other operating expenses of RMB1,199.1 million last year.

Management Discussion and Analysis

DEPRECIATION AND AMORTISATION

In 2025, the Group's depreciation and amortisation amounted to RMB374.3 million, representing a decrease of 3.9% as compared with RMB389.4 million last year, which was mainly due to the decline in the scale of aircraft operating lease assets, resulting in the decrease in depreciation and amortisation as compared with last year.

STAFF COSTS

In 2025, the Group's staff costs amounted to RMB741.0 million, representing an increase of 2.5% as compared with RMB723.0 million last year.

INTEREST EXPENSES

In 2025, the Group's interest expenses amounted to RMB2,446.2 million, representing a decrease of 20.0% as compared with RMB3,056.8 million last year. This was mainly because the Group diversely expanded low-cost financing channels, and actively channelled high-quality and low-cost funds to further reduce the cost of new financing and replace existing high-cost liabilities. The decrease in the weighted average interest rate exceeded the decrease in the LPR over the same period, while the average balance of interest-bearing liabilities also declined as compared with last year. In 2025, the Group's interest expenses on bank and other borrowings amounted to RMB1,296.0 million, representing a decrease of 20.2% as compared with RMB1,624.5 million last year, and interest expenses on bonds payable amounted to RMB1,149.2 million, representing a decrease of 19.7% as compared with RMB1,431.0 million last year.

OTHER OPERATING EXPENSES

In 2025, the Group's other operating expenses amounted to RMB365.4 million, representing a decrease of 69.5% as compared with RMB1,199.1 million last year, which was mainly due to the recognition of costs relating to government outsourcing business by the Group last year, while no such cost was incurred in the current year.

IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL

In 2025, the Group's impairment losses under expected credit loss model amounted to RMB1,498.3 million, representing a slight decrease as compared with RMB1,512.2 million last year. Adhering to a stable risk management philosophy, the Group prudently accrued provisions for expected credit losses and consolidated asset base to safeguard stable asset quality and strong risk resilience.

4.4 PROFIT FOR THE YEAR

In 2025, the Group realised profit for the year of RMB1,424.8 million, representing a decrease of 5.8% as compared with last year, which was mainly due to the complex and severe external environment, the Group conducted business steadily, adhered to national policy guidance, insisted on providing leasing services, focused on key areas such as the "Five Major Sectors of Finance", new quality productive forces and equipment renewal, deepened the industrial transformation, and strengthened coordination both within and outside group, continuously improving the quality and efficiency of serving the real economy. Meanwhile, the Group diversely expanded low-cost financing channels, reinforced the comprehensive risk management system, enhanced expense controls, and maintained overall stability in operational indicators.

4.5 NET INTEREST MARGIN AND NET INTEREST SPREAD OF INTEREST-EARNING ASSETS

The following table sets forth our core financial indicators, including our interest income, interest expenses, net interest income, net interest spread, and net interest margin, for the periods indicated:

	For the year ended December 31,	
	2025	2024
	(RMB in millions, except percentages)	
Interest income ⁽¹⁾	5,963.6	6,178.4
Interest expenses ⁽²⁾	2,277.1	2,837.3
Net interest income	3,686.5	3,341.1
Average present value of interest-earning assets ⁽³⁾	93,185.3	97,025.5
Average balance of interest-bearing liabilities ⁽⁴⁾	79,898.8	84,128.2
Average yield of interest-earning assets ⁽⁵⁾	6.40%	6.37%
Of which: finance lease business ⁽⁶⁾	6.40%	6.38%
Average cost of interest-bearing liabilities ⁽⁷⁾	2.85%	3.37%
Net interest spread ⁽⁸⁾	3.55%	3.00%
Net interest margin ⁽⁹⁾	3.96%	3.44%

(1) Interest income is the sum of income from finance lease business and other interest income.

(2) Excluding the interest expenses related to other business such as operating leasing business.

(3) Interest-earning assets consist of receivables from finance lease business, etc. (excluding assets related to other business such as operating leasing business). Average present value is calculated based on the present value before deduction of allowances for impairment losses as at the end of last year and the middle and the end of the year.

(4) Interest-bearing liabilities consist of borrowings, bonds payable, business deposits and notes payable, excluding the interest-bearing liabilities related to other business such as operating leasing business. Average balances are calculated based on the balances as at the end of last year and the middle and the end of the year. The balances of borrowings and bonds payable used in such calculation represent the outstanding principal amounts of borrowings and bonds payable.

(5) Calculated by dividing interest income by the average present value of interest-earning assets.

(6) Calculated by dividing income from finance lease business by the average present value of receivables from finance lease business. Average present value of receivables from finance lease business is calculated based on the average present value of receivables from finance lease business before deduction of allowances for impairment losses as at the end of last year and the middle and the end of the year.

(7) Calculated by dividing interest expenses by the average balance of interest-bearing liabilities.

(8) Calculated as the difference between the average yield of interest-earning assets and the average cost of interest-bearing liabilities (excluding other business such as operating leasing business).

(9) Calculated by dividing net interest income (excluding other business such as operating leasing business) by the average present value of interest-earning assets.

In 2025, the Group's net interest spread and net interest margin were 3.55% and 3.96% respectively, representing increases of 0.55 percentage points and 0.52 percentage points respectively as compared with last year, which was mainly due to the stable average yield of interest-earning assets, coupled with the Group's continuous optimisation of liability structure, diversified expansion of low-cost financing channels to reduce the cost of new financing and replace existing high-cost liabilities. The decrease in the average cost of interest-bearing liabilities significantly exceeded the decrease in the LPR, demonstrating notable results in liability management.

Management Discussion and Analysis

5. ANALYSIS OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

5.1 OVERVIEW OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The following table summarises our consolidated financial position as at the dates indicated:

	As at December 31,		Changes
	2025	2024	
	(RMB in millions)		
Non-current assets			
Property and equipment	6,276.7	6,919.9	(9.3%)
Right-of-use assets	29.1	24.2	20.2%
Intangible assets	64.6	79.5	(18.7%)
Receivables from finance lease business ^(Note)	43,500.1	46,801.5	(7.1%)
Financial assets at fair value through profit or loss	16.8	11.7	43.6%
Deferred tax assets	2,018.1	1,858.8	8.6%
Other assets	2,242.1	2,414.3	(7.1%)
Total non-current assets	54,147.5	58,109.9	(6.8%)
Current assets			
Receivables from finance lease business ^(Note)	44,271.9	43,891.2	0.9%
Other assets	1,100.2	1,016.7	8.2%
Accounts receivable	66.3	68.2	(2.8%)
Financial assets at fair value through profit or loss	776.0	631.3	22.9%
Derivative financial assets	0.0	96.4	(100.0%)
Cash and bank balances	7,394.0	7,483.1	(1.2%)
Total current assets	53,608.4	53,186.9	0.8%
Total assets	107,755.9	111,296.8	(3.2%)

Management Discussion and Analysis

	As at December 31,		Changes
	2025	2024	
	(RMB in millions)		
Current liabilities			
Borrowings	18,563.0	23,884.7	(22.3%)
Derivative financial liabilities	2.9	23.4	(87.6%)
Accrued staff costs	183.3	221.6	(17.3%)
Accounts payable	273.3	261.9	4.4%
Bonds payable	18,485.5	23,492.1	(21.3%)
Income tax payable	452.8	389.3	16.3%
Other liabilities	3,858.3	4,860.4	(20.6%)
Total current liabilities	41,819.1	53,133.4	(21.3%)
Net current assets	11,789.3	53.5	21,936.1%
Total assets less current liabilities	65,936.8	58,163.4	13.4%
Equity attributable to owners of the Company			
— Ordinary shareholders	17,979.4	17,458.1	3.0%
— Other equity instrument holders	2,384.0	2,468.9	(3.4%)
Non-controlling interests	55.4	56.0	(1.1%)
Total equity	20,418.8	19,983.0	2.2%
Non-current liabilities			
Borrowings	20,905.8	16,229.8	28.8%
Bonds payable	20,099.5	17,077.3	17.7%
Deferred tax liabilities	13.4	17.4	(23.0%)
Other liabilities	4,499.3	4,855.9	(7.3%)
Total non-current liabilities	45,518.0	38,180.4	19.2%
Total equity and non-current liabilities	65,936.8	58,163.4	13.4%
Net assets per share (RMB yuan/share)	2.18	2.12	

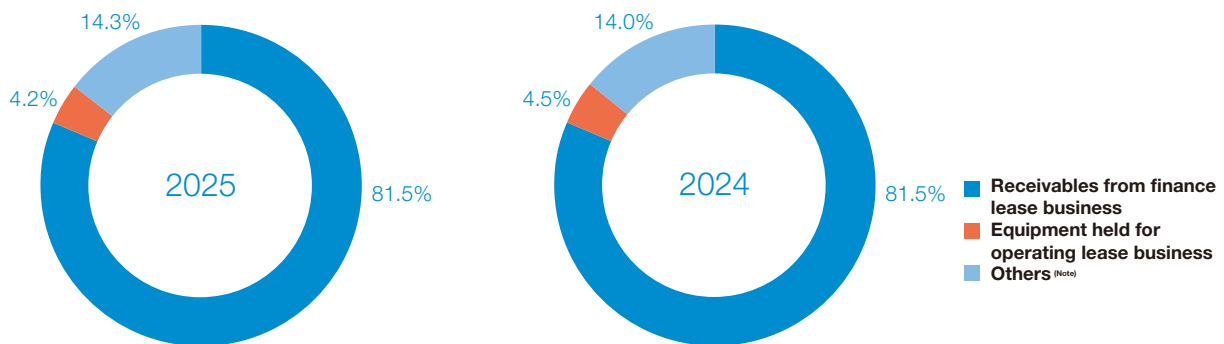
Note: Receivables from finance lease business include finance lease receivables and receivables arising from sale and leaseback arrangements.

Management Discussion and Analysis

5.2 ASSETS

As at December 31, 2025, the Group's total assets amounted to RMB107,755.9 million, representing a decrease of 3.2% as compared with RMB111,296.8 million as at the end of last year, which was mainly due to the decrease in the carrying amount of receivables from finance lease business and equipment held for operating lease business as compared with the end of last year. As at December 31, 2025, the carrying amount of receivables from finance lease business accounted for 81.5% of the Group's total assets, the carrying amount of equipment held for operating lease business accounted for 4.2% of the Group's total assets, and the combined proportion of finance lease and operating lease assets accounted for 85.7% of the Group's total assets.

Breakdown of percentage of total assets



Note: "Others" represents the aggregate of other asset items in total assets excluding receivables from finance lease business and equipment held for operating lease business.

INTEREST-EARNING ASSETS

Interest-earning assets include receivables from finance lease business, etc. As at December 31, 2025, the present value of the Group's interest-earning assets was RMB90,990.3 million, representing a decrease of 3.4% as compared with RMB94,165.1 million as at the end of last year.

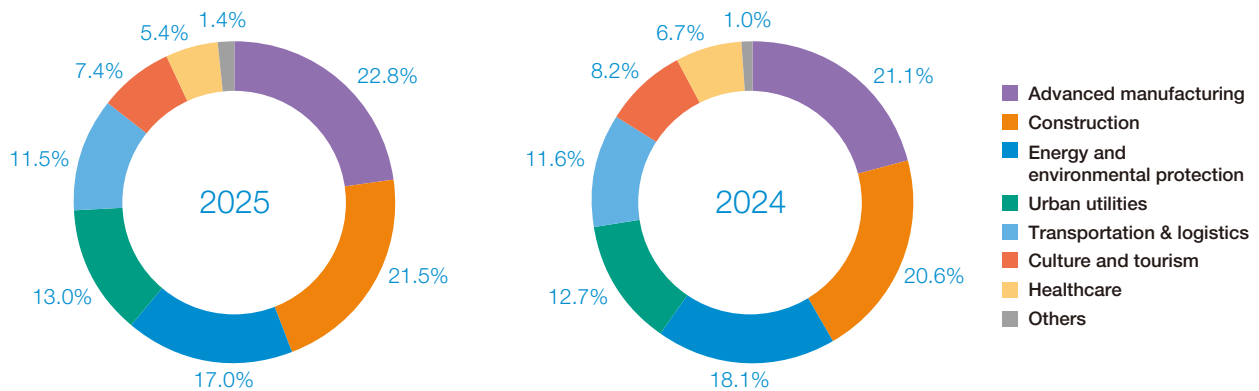
Management Discussion and Analysis

INDUSTRY ANALYSIS

The following table sets forth the present value of interest-earning assets by industry as at the dates indicated:

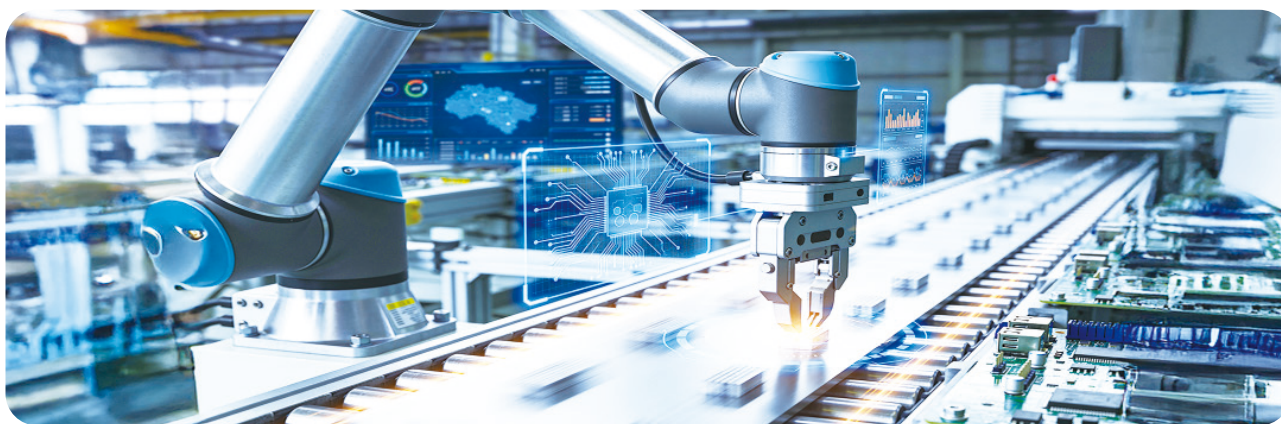
	As at December 31,			
	2025		2024	
	Present value	% of total	Present value	% of total
(RMB in millions, except percentages)				
Advanced manufacturing	20,775.3	22.8%	19,858.1	21.1%
Construction	19,557.3	21.5%	19,395.6	20.6%
Energy and environmental protection	15,496.5	17.0%	17,049.6	18.1%
Urban utilities	11,783.3	13.0%	11,924.2	12.7%
Transportation & logistics	10,426.7	11.5%	10,884.6	11.6%
Culture and tourism	6,736.5	7.4%	7,712.8	8.2%
Healthcare	4,914.6	5.4%	6,320.5	6.7%
Others	1,300.1	1.4%	1,019.7	1.0%
Total	90,990.3	100.0%	94,165.1	100.0%

Present value of interest-earning assets by industry



In 2025, the Group adhered to the core principle of serving the real economy with financial services, accelerated industrial transformation and development, provided comprehensive financial services to customers in sectors including advanced manufacturing, construction, energy and environmental protection, urban utilities, transportation and logistics, culture and tourism, and healthcare, and continuously optimised asset allocation.

ADVANCED MANUFACTURING



In accordance with the Chinese government’s economic and industrial policies, such as the national medium- and long-term development plan, supply-side structural reform and the “Made in China 2025” initiative, we offer comprehensive financing services to manufacturing enterprises to finance their equipment purchases and provide liquidity for their fixed assets. We serve customers across a wide range of manufacturing sectors, including high-end equipment manufacturing, new materials, next-generation information technology and electronic communications. We also focus on developing customers with growth potential that are recognised by the capital market and encouraged by government policies. Our customers consist primarily of large- and medium-sized state-owned enterprises at central and local levels, listed companies, and technology-focused innovative privately-owned enterprises engaged in manufacturing and emerging industries, as well as outstanding medium-sized enterprises with growth potential. In addition, leveraging our advantages in customer resources, we have gradually built a win-win industrial ecosystem to share resources with our partners, thereby further expanding our business scale in emerging manufacturing sectors and enhancing our competitive advantages.

As at December 31, 2025, the present value of interest-earning assets attributable to our business in the advanced manufacturing industry amounted to RMB20,775.3 million, representing an increase of 4.6% as compared with RMB19,858.1 million as at the end of last year. This was mainly because the Group closely followed the main theme of serving national strategies and the real economy, focused on the national policy of large-scale equipment renewal, and continuously enhanced business expansion in advanced manufacturing sectors such as high-end equipment manufacturing, next-generation information technology and new materials, focusing on expanding high-quality customers including industrial state-owned enterprises, leading private enterprises, listed companies and niche enterprises, promoting the green and intelligent upgrading of the manufacturing industry and assisting customers in industrial value enhancement.

CONSTRUCTION



We provide financial leasing and other services to construction enterprises as well as their upstream and downstream value chain partners, with our service coverage spanning the entire construction industry chain. We focus on developing business with central and state-owned enterprise customers in the construction sector, as well as in core areas including new shoring systems, green building materials, construction equipment and hydrogen-powered technology equipment. We support the diversified needs of customers in stages such as equipment procurement, project operations, and technological innovation, providing professional and reliable financial support for a wide range of construction and engineering projects.

As at December 31, 2025, the present value of interest-earning assets attributable to our business in the construction industry amounted to RMB19,557.3 million, representing an increase of 0.8% as compared with RMB19,395.6 million as at the end of last year. This was mainly because the Group supported the financing needs in fields such as urban renewal and livelihood infrastructure, increased focus on businesses related to central and state-owned construction enterprises, and actively explored green finance innovations including the hydrogen energy industry chain and new types of shoring systems, leading to the further optimisation of asset structure and a steady development trend in the construction industry.

ENERGY AND ENVIRONMENTAL PROTECTION



We are committed to deepening our presence in multiple specialised areas such as energy conservation and emission reduction, and clean energy. We aim to build a full industry-chain ecosystem that spans asset origination, management, and disposition. Starting with energy storage system integrators, we are developing the Haitong Unitrust energy storage ecosystem model across the industry, marketing, asset, and transaction dimensions. The enterprises we serve mostly have comprehensive qualifications, leading technologies and extensive experience in their respective fields. We provide high-quality financial services to high-quality customers in the industry, especially those in the clean energy sector, to support the development of energy and environmental protection enterprises and facilitate the implementation of the national strategy of “emission peak and carbon neutrality”.

As at December 31, 2025, the present value of interest-earning assets attributable to our business in the energy and environmental protection industry amounted to RMB15,496.5 million, representing a decrease of 9.1% as compared with RMB17,049.6 million as at the end of last year. This was mainly because the Group closely followed the national strategy of “emission peak and carbon neutrality” and prioritised high-quality customers in the fields of photovoltaic, energy storage, and new power system construction, and continuously expanded presence in the energy sector, which promoted the further optimisation of asset structure.

URBAN UTILITIES



We provide financial leasing and other services to enterprises engaged in smart city development, industrial park operations, port construction, water infrastructure construction and sanitation operations. We mainly serve urban utilities customers which have regional advantages and sound operating performance and are engaged in business related to people's livelihood. Leveraging our extensive experience and quality services, we provide diversified financial solutions for our customers in such sectors.

As at December 31, 2025, the present value of interest-earning assets attributable to our business in the urban utilities industry amounted to RMB11,783.3 million, representing a decrease of 1.2% as compared with RMB11,924.2 million as at the end of last year. This was mainly because the Group continuously adjusted urban utilities business structure, set more stringent and refined standards for new business, promoted the accelerated transformation and upgrading of traditional business, and focused on high-quality projects.

TRANSPORTATION & LOGISTICS



We aligned our transportation & logistics strategy with national priorities, including the “emission peak and carbon neutrality” goals, the transformation of energy consumption structure, and the development of intelligent, efficient new quality productive forces. We concentrated on five key sub-sectors, namely modern logistics, smart urban distribution, mobility energy, shared mobility, and affordable car usage, providing financial leasing services to support the sustainable development of transportation & logistics and contribute to the high-quality development of China’s transportation & logistics industry. Capitalising on our rich industry experience, superior industrial layout, extensive market channels and service network, we have established a comprehensive industrial ecosystem for collaboration. With the presence of our localised business teams across nearly 28 provinces, autonomous regions, municipalities directly under the Central Government, and special administrative regions in China, we have forged extensive partnerships with diverse industry players including major domestic OEMs, logistics proprietors, shared mobility and freight platform operators, vehicle dealers, high-quality logistics enterprises and new energy investors and operators. This enables us to develop a holistic value system delivering scenario-based solutions for the transportation & logistics industry, offering customers personalised, diversified, one-stop financial services.

As at December 31, 2025, the present value of interest-earning assets attributable to our business in the transportation & logistics industry amounted to RMB10,426.7 million, representing a decrease of 4.2% as compared with RMB10,884.6 million as at the end of last year. This was mainly because the Group continuously expanded presence in market segments of the transportation & logistics sector such as new energy vehicles and hydrogen-powered heavy-duty trucks, actively expanded into fields including unmanned commercial vehicles and green heavy-duty trucks, established an innovative one-stop service model, and continuously refined the green travel industrial ecosystem.

CULTURE AND TOURISM



We provide financial leasing and other services to enterprises engaged in cultural education, tourism services and hotel operations. The cultural education customers we serve cover higher education, secondary education (including vocational education), and other market segments. Following the national policies advocating the development of vocational education, we will continue to maintain our efforts in expanding business with colleges and vocational education institutions. Grasping the opportunities arising from the industry structure adjustments, we have entered into strategic partnerships with large culture and tourism groups and hotel groups, and have developed a number of high-quality customers with strong management capabilities, good credit standing and growth potential. We are committed to providing services to meet the capital needs of these customers for their daily operation, business expansion and service upgrades.

As at December 31, 2025, the present value of interest-earning assets attributable to our business in the culture and tourism industry amounted to RMB6,736.5 million, representing a decrease of 12.7% as compared with RMB7,712.8 million as at the end of last year, which was mainly due to the Group's continuous adjustment of the business structure in the culture and tourism industry, selectively focusing on high-quality customers with competitive advantages.

HEALTHCARE



We provide financial services to various types of general and specialised hospitals and healthcare enterprises. The services we provide to customers in the healthcare industry are mainly finance lease services.

We continually expand our healthcare customer base to capture opportunities presented by the growing market demand for customised and high-end healthcare services. We plan to continue to provide financial leasing and other services to hospitals as well as comprehensive healthcare and elderly care institutions integrating medical care, rehabilitation and elderly care, so as to meet their financing needs related to medical equipment procurement, working capital and facility construction. In addition, through our localised marketing network, we strategically provide financial leasing and other services and products to medical laboratory centres, imaging centres, rehabilitation centres, physical examination centres, pharmaceutical and medical device suppliers with sound credit records and growth potential to support their funding needs for business expansion and equipment upgrades.

In addition to serving healthcare institutions, we also provide financial leasing and other services to high-growth healthcare companies, such as pharmaceutical enterprises, medical device manufacturers and companies engaged in genetic testing and biopharmaceuticals, thereby providing financial support for their production capacity expansion and research and development.

As at December 31, 2025, the present value of interest-earning assets attributable to our business in the healthcare industry amounted to RMB4,914.6 million, representing a decrease of 22.2% as compared with RMB6,320.5 million as at the end of last year. This was mainly because the Group followed national policy guidelines, continuously optimised the business structure of the healthcare industry, focused on developing leading high-quality customers, expanded presence in medical biomanufacturing and high-end medical equipment sectors, and actively upgraded customer hierarchy.

OTHER INDUSTRIES

In addition to the above-mentioned industries, we also provide targeted finance lease and advisory services to high-quality customers in sectors such as leasing and commercial services, and technical services.

As at December 31, 2025, the present value of interest-earning assets attributable to our business in other industries amounted to RMB1,300.1 million, representing an increase of 27.5% as compared with RMB1,019.7 million as at the end of last year.

RECEIVABLES FROM FINANCE LEASE BUSINESS

The following table sets forth the breakdown of our receivables from finance lease business as at the dates indicated:

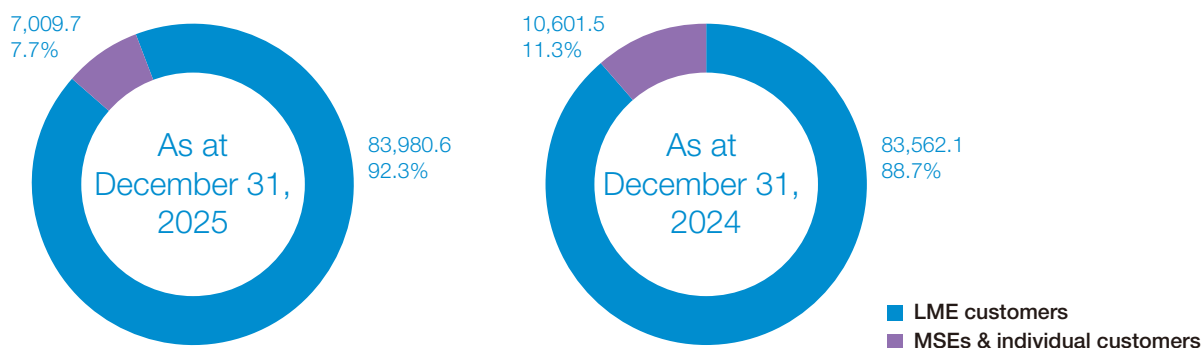
	As at December 31,		Changes
	2025	2024	
	(RMB in millions)		
Gross amount of receivables from finance lease business	98,143.4	102,987.6	(4.7%)
Less: unearned financing income	(7,153.1)	(8,824.0)	(18.9%)
Present value of receivables from finance lease business	90,990.3	94,163.6	(3.4%)
Less: impairment loss allowance	(3,218.3)	(3,470.9)	(7.3%)
Carrying amount of receivables from finance lease business	87,772.0	90,692.7	(3.2%)

Management Discussion and Analysis

CUSTOMER ANALYSIS

The following chart sets forth the breakdown of the present value of our receivables from finance lease business by type of customers as at the dates indicated:

(Unit: RMB in millions, except percentages)



The present value of receivables from finance lease business decreased as compared with the end of last year, of which the present value of receivables from finance lease business from LME customers slightly increased as compared with the end of last year, mainly because the Group stepped up business development with high-quality central and state-owned enterprises, and industry-leading enterprises. The present value of receivables from finance lease business from MSEs and individual customers decreased as compared with the end of last year, which was primarily due to fierce industry competition, the Group continuously optimised asset allocation, promoted the upgrading of business structure, steadily enhanced business resilience.

MATURITY PROFILE

The following table sets forth the analysis of the remaining maturity of the gross amount of minimum receivables from finance lease business as at the dates indicated:

	As at December 31,			
	2025		2024	
	Amount	% of total	Amount	% of total
(RMB in millions, except percentages)				
Within one year	49,680.0	50.6%	50,083.3	48.6%
More than one year but not exceeding five years	46,878.1	47.8%	50,521.2	49.1%
More than five years	1,585.3	1.6%	2,383.1	2.3%
Total	98,143.4	100.0%	102,987.6	100.0%

As at December 31, 2025, receivables from finance lease business due within one year accounted for 50.6% of the gross amount of receivables from finance lease business of the Group, which slightly increased as compared with the end of last year.

LOSS ALLOWANCE WRITE-OFF

The following table sets forth the loss allowance write-off for our interest-earning assets for the periods indicated:

	For the year ended December 31,	
	2025	2024
	(RMB in millions)	
Loss allowance write-off	518.6	556.4

The Group writes off unrecoverable non-performing assets strictly in accordance with the accounting standards and the Group's write-off policies and procedures. In 2025 and 2024, the Group's loss allowance write-off for interest-earning assets was RMB518.6 million and RMB556.4 million, respectively.

PROPERTY AND EQUIPMENT

The Group's property and equipment mainly include equipment held for operating lease business and property and equipment held for administrative purposes. As at December 31, 2025, the Group's equipment held for operating lease business consisted of 16 aircraft. The property and equipment held for administrative purposes of the Group consisted primarily of office buildings, motor vehicles, electronic equipment, office equipment, leasehold improvements and construction in progress.

As at December 31, 2025, the carrying amount of the Group's property and equipment was RMB6,276.7 million, representing a decrease of 9.3% as compared with RMB6,919.9 million as at the end of last year, which was mainly due to the disposal of one aircraft held for operating lease and the accrual of depreciation and amortisation during the year.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group's financial assets at fair value through profit or loss mainly include the trust plans, wealth management products and equity instruments held by the Group.

As at December 31, 2025, the carrying amount of the financial assets at fair value through profit or loss of the Group was RMB792.8 million, representing an increase of 23.3% as compared with RMB643.0 million as at the end of last year, which was mainly due to the dynamic adjustments made by the Group based on liquidity management needs and the increase in the fair value of certain equity instruments.

Management Discussion and Analysis

DEFERRED TAX ASSETS

As at December 31, 2025, the carrying amount of the deferred tax assets of the Group amounted to RMB2,018.1 million, representing an increase of 8.6% as compared with RMB1,858.8 million as at the end of last year, primarily due to the provision accrued for impairment losses. In addition, in 2025, the Group completed the tax filing for certain impairment losses of prior periods.

CASH AND BANK BALANCES

As at December 31, 2025, the carrying amount of the Group's cash and bank balances was RMB7,394.0 million, representing a decrease of 1.2% as compared with RMB7,483.1 million as at the end of last year, which was mainly due to the dynamic adjustments made by the Group in light of the future operational needs and liquidity safety.

5.3 LIABILITIES

In 2025, the Group closely adhered to the main theme of serving national strategies and the real economy and insisted on providing leasing services. By offering innovative financing products and continuously optimising liability structure, the Group guided high-quality funds to support industrial layout. The Group has maintained AAA issuer credit rating (with a stable outlook) for many consecutive years, achieving a steady decrease in the cost of funds.

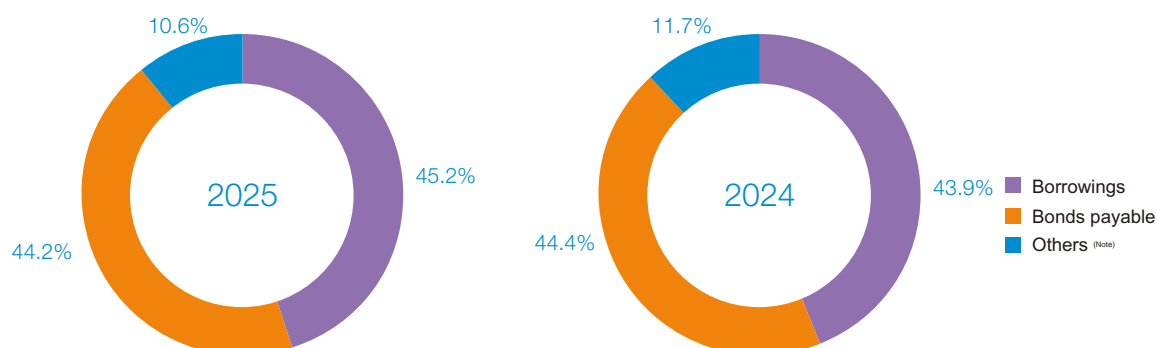
As at December 31, 2025, total liabilities of the Group amounted to RMB87,337.1 million, representing a decrease of 4.4% as compared with RMB91,313.8 million as at the end of last year, mainly due to the Group's dynamic management of liability structure in accordance with the actual asset allocation situation and appropriate reduction of liabilities, based on a stable and prudent business philosophy.

Management Discussion and Analysis

The following table sets forth the breakdown of liabilities by type as at the dates indicated:

	As at December 31,		Changes
	2025	2024	
	(RMB in millions)		
Current liabilities			
Borrowings	18,563.0	23,884.7	(22.3%)
Derivative financial liabilities	2.9	23.4	(87.6%)
Accrued staff costs	183.3	221.6	(17.3%)
Accounts payable	273.3	261.9	4.4%
Bonds payable	18,485.5	23,492.1	(21.3%)
Income tax payable	452.8	389.3	16.3%
Other liabilities	3,858.3	4,860.4	(20.6%)
Total current liabilities	41,819.1	53,133.4	(21.3%)
Non-current liabilities			
Borrowings	20,905.8	16,229.8	28.8%
Bonds payable	20,099.5	17,077.3	17.7%
Deferred tax liabilities	13.4	17.4	(23.0%)
Other liabilities	4,499.3	4,855.9	(7.3%)
Total non-current liabilities	45,518.0	38,180.4	19.2%
Total liabilities	87,337.1	91,313.8	(4.4%)

Breakdown of percentage of total liabilities



Note: "Others" represents the aggregate of other liability items in total liabilities excluding borrowings and bonds payable.

Management Discussion and Analysis

As at December 31, 2025, borrowings accounted for 45.2% of the Group's total liabilities and bonds payable accounted for 44.2% of the Group's total liabilities. The combined proportion of borrowings and bonds payable reached 89.4%, representing a slight increase as compared with the end of last year.

BORROWINGS

Borrowings of the Group are primarily bank borrowings. As at December 31, 2025, the Group's borrowings amounted to RMB39,468.8 million, representing a decrease of 1.6% as compared with RMB40,114.5 million as at the end of last year.

In 2025, the Group arranged the first "ESG + Two Major and Two New Initiatives" themed syndicated loan in the leasing industry, and secured the first environmental protection-themed syndicated loan in the leasing industry, involving the New Development Bank, an international multilateral development institution.

The following table sets forth the breakdown of borrowings by type as at the dates indicated:

	As at December 31,			
	2025		2024	
	Amount	% of total	Amount	% of total
(RMB in millions, except percentages)				
Bank borrowings	39,273.1	99.5%	39,895.9	99.4%
Interest payable	167.4	0.4%	195.6	0.5%
Lease liabilities	28.3	0.1%	23.0	0.1%
Total	39,468.8	100.0%	40,114.5	100.0%
Analysed as:				
Current	18,563.0	47.0%	23,884.7	59.5%
Non-current	20,905.8	53.0%	16,229.8	40.5%
Total	39,468.8	100.0%	40,114.5	100.0%

As at December 31, 2025, current borrowings accounted for 47.0% of the total borrowings of the Group, reflecting a stable financing strategy and a reasonable debt structure.

BONDS PAYABLE

In 2025, liquidity in the capital market was ample, and overall market interest rates declined moderately. The Group closely monitored market dynamics and, in line with business development needs, diversified financing products by issuing various types of bond products in the capital market, thereby continuously strengthening cost advantages.

Management Discussion and Analysis

The Group's bonds payable included medium-term notes, corporate bonds, asset-backed securities, ultra-short-term commercial papers and short-term commercial papers, etc. As at December 31, 2025, the balance of bonds payable of the Group amounted to RMB38,585.0 million, representing a decrease of 4.9% as compared with RMB40,569.4 million as at the end of last year.

In 2025, the Group successfully issued "Sci-Tech Innovation" and "Support for Medium-, Small- and Micro-Sized Enterprises" corporate bonds, as well as asset-backed securities products for the "Yangtze River Economic Belt", "Integrated Development of the Yangtze River Delta", and "High-Quality Development of MSEs".

The following table sets forth the breakdown of bonds payable by type as at the dates indicated:

	As at December 31,			
	2025		2024	
	Amount	% of total	Amount	% of total
(RMB in millions, except percentages)				
Medium-term notes	13,979.3	36.2%	13,417.0	33.1%
Corporate bonds	11,285.7	29.2%	11,832.4	29.2%
Asset-backed securities	7,310.1	18.9%	10,044.9	24.8%
Ultra-short-term commercial papers	2,999.6	7.8%	2,799.2	6.9%
Short-term commercial papers	2,598.9	6.7%	1,999.4	4.9%
Interest payable	411.4	1.2%	476.5	1.1%
Total	38,585.0	100.0%	40,569.4	100.0%
Analysed as:				
Current	18,485.5	47.9%	23,492.1	57.9%
Non-current	20,099.5	52.1%	17,077.3	42.1%
Total	38,585.0	100.0%	40,569.4	100.0%

OTHER LIABILITIES

Other liabilities of the Group consisted primarily of deposits from customers, notes payable, and aircraft maintenance funds.

As at December 31, 2025, the Group's other liabilities amounted to RMB8,357.6 million, representing a decrease of 14.0% as compared with RMB9,716.3 million as at the end of last year, which was mainly due to the decrease in deposits from customers, notes payable and other payables.

Management Discussion and Analysis

5.4 EQUITY

As at December 31, 2025, the Group's total equity amounted to RMB20,418.8 million, representing an increase of 2.2% as compared with RMB19,983.0 million as at the end of last year, which was mainly due to the increase in total equity resulting from the profit for the year realised by the Group in 2025, and the decrease in total equity resulting from dividend distribution, changes in other equity instruments and other comprehensive income.

The following table sets forth the breakdown of equity by type as at the dates indicated:

	As at December 31,		Changes
	2025	2024	
	(RMB in millions)		
Equity attributable to owners of the Company			
– Ordinary shareholders	17,979.4	17,458.1	3.0%
– Other equity instrument holders	2,384.0	2,468.9	(3.4%)
Non-controlling interests	55.4	56.0	(1.1%)
Total equity	20,418.8	19,983.0	2.2%

6. ANALYSIS OF CONSOLIDATED STATEMENT OF CASH FLOWS

The following table sets forth a summary of consolidated cash flows for the periods indicated:

	For the year ended December 31,	
	2025	2024
	(RMB in millions)	
Net cash generated from/(used in) operating activities	6,092.3	12,985.5
Net cash generated from/(used in) investing activities	179.1	816.0
Net cash generated from/(used in) financing activities	(5,965.0)	(15,528.7)
Net increase/(decrease) in cash and cash equivalents	306.4	(1,727.2)

In 2025, net cash inflow generated from operating activities amounted to RMB6,092.3 million. Cash flows from operating activities consisted primarily of cash generated from or paid for our finance lease, operating lease, advisory businesses, and related transactions. The net cash inflow generated from operating activities in the current year was mainly due to the gradual collection of rental payments from business investments in prior periods, with the rentals collected exceeding the cash outflow from new business investments.

In 2025, net cash inflow generated from investing activities amounted to RMB179.1 million, mainly reflecting the cash received from (i) sale of financial assets at fair value through profit or loss; (ii) sale of financial assets held under resale agreements; (iii) disposal of property and equipment; and (iv) investment income. Such cash inflow was partially offset by the cash paid for (i) the purchase of financial assets at fair value through profit or loss; (ii) the purchase of financial assets held under resale agreements; and (iii) the purchase of property and equipment and intangible assets during the year.

In 2025, net cash outflow used in financing activities amounted to RMB5,965.0 million, mainly reflecting the cash paid for (i) repayments of borrowings; (ii) repayments of bonds; (iii) interest payments; (iv) redemption of other equity instruments; (v) dividend payments; and (vi) payment of related expenses. Such cash outflow was partially offset by the cash received during the year from proceeds from borrowings and the issuance of bonds and other equity instruments.

7. CAPITAL MANAGEMENT

We manage our capital by optimising the structure of liabilities and shareholders' equity to ensure that the Group is able to operate as a going concern while maximising shareholders' returns. The objective of our capital management is to ensure compliance with the relevant laws, regulations and regulatory requirements. According to the "Provisional Measures for the Supervision and Administration of Financial Leasing Companies" (《融資租賃公司監督管理暫行辦法》) issued by the former CBIRC and the "Provisional Measures for the Supervision and Administration of Financial Leasing Companies in Shanghai" (《上海市融資租賃公司監督管理暫行辦法》) issued by the Shanghai Municipal Financial Regulatory Bureau, the total risk assets of financial leasing companies shall not exceed eight times their net assets, and the total risk assets shall be determined as the remaining balance after deducting cash, bank deposits and treasury bonds from the total assets of the enterprise. As at December 31, 2025, the Group had not violated any relevant regulations regarding the ratio of total risk assets to net assets.

8. CAPITAL EXPENDITURE

In 2025, the Group's capital expenditure was RMB10.9 million, which was mainly utilised for the purchase of property and equipment and intangible assets.

9. RISK MANAGEMENT

The Group adopts a prudent risk management philosophy, has established a comprehensive risk management system and deeply embedded risk control measures into every link of business operations. Through ongoing refinement of the comprehensive risk management system, we continuously enhance our full-process risk control capabilities and proactive risk management level, thereby bolstering our core competitiveness. We engage in risk management under the comprehensive risk management framework of our Controlling Shareholder. We report core risk control indicators to our Controlling Shareholder and are subject to real-time supervision in respect of such indicators. With reference to the Provisional Measures for the Supervision and Administration of Financial Leasing Companies (《融資租賃公司監督管理暫行辦法》) and the Regulatory Guidelines on Regulatory Rating and Classification of Financial Leasing Companies and Commercial Factoring Companies in Shanghai (《上海市融資租賃公司、商業保理公司監管評級與分類監管指引》), we have formulated and implemented various risk guidelines and rules with equal or higher standards, ensuring the effective operation of our risk management system.

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We have a sound risk management structure and continuously improve this structure to meet our business development needs. The Board is our highest internal decision-making body on matters involving risk management. Professional committees are established under the Board, and the management exercises specific functions based on the authorisation of the Board, and various functional departments perform their respective duties to achieve full-chain risk management.

We are exposed to various risks in our business operations, including credit risk, compliance risk, liquidity risk, interest rate risk, exchange rate risk, operational risk and reputational risk. We have established a sound management system to continuously identify, evaluate, monitor and mitigate risks, so as to achieve the risk management goal of controlling risks within an acceptable range and maximising risk-adjusted returns.

9.1 CREDIT RISK

Credit risk refers to the risk that our customers or counterparties fail to perform their contractual obligations, or that changes in their creditworthiness may cause economic losses or cause our actual returns to deviate from our expected returns. Credit risk is the primary risk that we face in our business operations.

In 2025, the Group centred its efforts around the main theme of serving the real economy with financial services, seized the opportunities arising from the development of new quality productive forces, and leveraged its own resources and capabilities to accelerate the building of industrial advantages, empowering customers and fostering mutual growth. We strictly adhered to our credit risk management system and procedures during business development, which allowed us to effectively control credit risk and asset quality. We have adopted the following measures in respect of credit risk management:

- **Continuous Optimisation of Asset Structure with a Focus on “Three Priorities” to Enhance Allocation Effectiveness**

In 2025, based on an in-depth analysis of the external environment, industry trends, and regulatory policies, and leveraging its own resources, the Group formulated an asset allocation strategy that is both forward-looking and practically feasible. Through clear allocation guidance and regular portfolio reviews, the Group dynamically optimised its business investments, promoted the deepening and strengthening of advantageous industries, the orderly expansion of emerging fields, and the consolidation of its asset base, thereby further optimising the asset structure.

Focusing on key industries and advancing the “Five Major Sectors of Finance”. The Group placed particular emphasis on strategic emerging industries including high-end equipment manufacturing, next-generation information technology, new energy and new materials, actively expanded into deeper segments of the value chain such as consumer electronics, new energy vehicles, smart grids and industrial equipment, focused on cultivating niche segments such as intelligent computing power and clean energy, actively explored new business areas including commercial aerospace, the low-altitude economy and hydrogen energy, and continued to strengthen financial support for technology-oriented small and medium-sized enterprises. At the same time, to better navigate uncertainties in the external environment, the Group consolidated its business foundation in fundamental sectors such as construction and energy supply, further extended its coverage of high-quality state-owned enterprises and industry-leading companies with strong risk resilience, increased its business allocation towards areas such as livelihood infrastructure and the “Two Major and Two New” initiatives, and further enhanced the stability of its asset portfolio.

Focusing on key customers and expanding the industrial ecosystem. The Group adopts a dual-pronged strategy that focuses on deepening engagement with existing customers while systematically expanding its base of new customers. For existing customers, we focus on core customer segments with significant value contribution, explore their multi-dimensional needs, implement a strategic customer management system, and build a sustainable strategic customer ecosystem. For new customers, we extend horizontally to explore the comprehensive financial needs of key customers, leveraging group-wide synergies to deliver high value-added services. We also extend vertically to serve the upstream and downstream partners of core enterprises, harnessing the radiating effect of “chain owners” and deploying multiple initiatives to accumulate a growing base of high-quality customers who are deeply rooted in their respective industries, possess competitive advantages and demonstrate strong risk resilience. Driven by these dual efforts, we have continued to build up our key customer base and significantly upgraded customer hierarchy. The proportion of new business investment in state-owned and central enterprise customers reached nearly 60%, representing an increase of 12 percentage points as compared with 2024, further strengthening business resilience and optimising our asset structure.

Focusing on key areas and fostering localised advantages. Aligned closely with national regional development strategies, the Group focused on core economic belts and high-tier cities and extended its coverage to metropolitan areas surrounding core cities. Leveraging 21 branches nationwide and local teams, the Group further explored local business opportunities and established a presence across five key regions, namely the Yangtze River Delta, the Pearl River Delta, the Beijing–Tianjin–Hebei region, the Chengdu–Chongqing–Shaanxi region and the middle reaches of the Yangtze River. As at the end of 2025, the present value of interest-earning assets in these five regions accounted for over 80% of the Group’s total, reflecting a continued strengthening of regional focus. In particular, the Group’s competitive advantage in the Yangtze River Delta was prominent: new business investments accounted for nearly 45%, representing a year-on-year increase of 34%; the year-end present value of interest-earning assets in the region accounted for over 36%, representing an increase of approximately 8 percentage points from the beginning of the year, gradually building differentiated competitive advantages with regional industrial characteristics.

- **Continuous Upgrading of Evaluation System to Precisely Guide and Empower Business Quality Improvement**

In 2025, the Group further deepened its “industry + customer + leased asset” three-dimensional evaluation system, fostering the deep integration and mutual reinforcement of business development and risk management. In the industry dimension, the Group actively seized policy opportunities related to new quality productive forces, the “Two Major and Two New” initiatives, and the “Five Major Sectors of Finance”, while deeply exploring sub-sectors to cultivate competitive advantages in target industries. In the customer dimension, the Group implemented differentiated and refined classification management, extending horizontally to meet the needs of core enterprises and expanding vertically along the upstream and downstream value chains, providing high value-added financial services through customised solutions. In the leased assets dimension, the Group strengthened full lifecycle value management, focusing on core equipment and application scenarios, expanding direct leasing business, and combining financing with capital and goods to support enterprise technology upgrades and equipment renewals. During the Reporting Period, the Group conducted special studies in key areas based on full-process review and analysis covering the “pre-lease, in-lease, and post-lease” stages, strengthening the identification of core customer groups. Credit review guidelines were updated for sectors including manufacturing, construction, healthcare, and green roofs. Incorporating strategic priorities, asset performance, and industry analysis, the Group established differentiated admission criteria for various customer groups, defined profiles of high-quality customers, and provided corresponding policy support,

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effectively enhancing the relevance, effectiveness, and comprehensiveness of approval policies. For new business areas such as intelligent computing centre equipment, home-based elderly care equipment, and railway freight consolidation terminals, the Group designed product solutions aligned with customers' business models and risk characteristics, and developed dedicated product guidelines to precisely attract high-quality customers consistent with its strategic direction, continuously enriching the product portfolio. Meanwhile, the Group continuously promoted the iterative optimisation and in-depth application of models for credit rating, debt rating, risk pricing, and risk limits, and through more precise risk quantification tools and management measures, continuously improved the level and quality of asset returns.

- **Continuous Strengthening of Post-Lease Management to Fortify Asset Security**

The Group has established a post-lease management system underpinned by comprehensive asset management policies and procedures, with a robust risk early warning and response mechanism at its core. By integrating multiple approaches including IoT monitoring, public sentiment monitoring, and on-site inspections, a professional team of the Group conducts ongoing tracking and dynamic assessment of asset quality, ensuring early detection and intervention of potential risks to effectively safeguard asset security. In 2025, the Group proactively responded to regulatory requirements by placing particular emphasis on strengthening full lifecycle dynamic management of leased assets. Through the establishment of the "Haitong Unitrust Intelligent IoT Platform" and the deployment of wristband monitoring technology for selected equipment, the Group achieved real-time identification, location tracking, tracing, and management of movable leased assets, enhancing IoT-enabled risk control capabilities. During post-lease inspections, the Group intensified on-site verification of leased assets, with particular attention to their operational status, value fluctuations, and location changes, ensuring the integrity and controllability of leased assets. Meanwhile, the Group continuously optimised the functions of the intelligent warning centre to comprehensively monitor information such as customer operation dynamics, industry trend changes, and market competition situations, achieving routine tracking of risk-related public sentiment and multi-dimensional early warning. Upon detection of risk signals during monitoring, the Group promptly initiated verification and analysis, implemented tiered and classified management based on the scope of impact and urgency level, and formulated differentiated response measures, effectively enhancing its proactive risk management capabilities in "early identification, early warning, early exposure, and early resolution".

- **Deepening Technology Empowerment with Iterative Tools Driving Quality and Efficiency Improvements**

In 2025, the Group successfully completed the comprehensive upgrade and smooth transition of its core business system. The new system has strengthened standardised assessment functions, providing multi-dimensional intelligent statistical analysis tools and a more extensive range of fintech applications. It efficiently integrates multiple external data sources to provide references and support for approval decisions, enabling dynamic early risk warning and mobile review support, significantly enhancing the timeliness of business processes and the accuracy of risk assessments. The Group has established an integrated risk management portal, delivering real-time, efficient, and intelligent risk data statistics and multi-scenario application services, effectively strengthening the precision and foresight of risk management. AI algorithms have been introduced to enable functions such as image tampering detection, duplicate checking and comparison, and document discrepancy detection, effectively improving anti-fraud capabilities and processing efficiency. The Group has continued to refine its asset management system, and through optimisation of functions including the equipment wristband application system, GPS monitoring system, and IoT monitoring modules, has implemented a new geofence-based early warning model, significantly reinforcing dynamic management and risk prevention and control

support for leased assets. Looking ahead, the Group will continue to explore the deep integration of risk management and financial technology, consistently advancing digitalisation, informatisation, and intelligent upgrades across all business processes, and continuously enhancing its risk management capabilities in “technical prevention” and “intelligent control”.

ASSET QUALITY

Pursuant to the regulatory requirements, the Group classifies its interest-earning assets into five categories. Furthermore, in order to promptly monitor asset quality, the Group sub-divided the five categories into fourteen levels for meticulous management of assets. The five categories are “normal”, “special mention”, “substandard”, “doubtful” and “loss”. The last three categories are regarded as credit-impaired and considered as NPAs.

Normal: the lessee can honour the terms of the contract and is able to repay the principal and interest in full on a timely basis.

Special mention: the lessee currently has the ability to repay the principal and interest, but the repayment of principal and interest receivables could be adversely affected by certain factors.

Substandard: the lessee’s ability to repay the principal and interest is in question as it cannot rely entirely on normal operating revenues to repay the principal and interest in full, and losses may ensue even when guarantees are invoked.

Doubtful: the lessee is unable to repay the principal and interest in full and losses will need to be recognised even when guarantees are invoked.

Loss: only a minimal portion or no principal of, or interest on, the lease could be recovered after all possible measures have been taken and all legal remedies have been exhausted.

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The following table sets forth the breakdown of the Group's balances of interest-earning assets before deduction of allowances for impairment losses based on the five-category classification standard of asset quality as at the dates indicated:

	As at December 31, 2025		As at December 31, 2024	
	Amount	% of total	Amount	% of total
(RMB in millions, except percentages)				
Normal	86,613.6	95.19%	91,081.1	96.72%
Special mention	3,320.6	3.65%	1,986.2	2.11%
Substandard	579.3	0.64%	493.8	0.53%
Doubtful	457.7	0.50%	604.0	0.64%
Loss	19.1	0.02%	—	0.00%
Total	90,990.3	100.00%	94,165.1	100.00%
NPA ratio		1.16%		1.17%
Allowance coverage ratio for NPAs		304.71%		316.17%

The Group has always adhered to a prudent, proactive, full-cycle, and full-process risk management philosophy, placing risk management at the core of its operations and management. In 2025, as uncertainties in the external environment intensified, the Group continuously strengthened macro and industry research at the pre-lease stage, dynamically adjusted business orientation, and actively responded to market changes. At the in-lease stage, we continuously optimised risk assessment models and approval strategies, improved risk identification and pricing capabilities, and promoted the further concentration of business resources towards key industries, core customers, and advantageous regions. At the post-lease stage, we continuously advanced the intelligent upgrading of the asset management system, enriched leased asset management tools, effectively improved risk monitoring and disposal efficiency, and comprehensively enhanced the capability to control and manage leased assets. Through the synergistic effect of these full-process risk management measures, asset quality remained stable and the asset structure continued to improve. As at December 31, 2025, the Group's balance of NPAs was RMB1,056.1 million, representing a decrease of RMB41.7 million as compared with the end of 2024, maintaining a downward trend for three consecutive years and demonstrating the tangible results of the Group's risk prevention, control and mitigation efforts. The NPA ratio was 1.16%, representing a decrease of 0.01 percentage points as compared with the end of 2024, achieving a decrease in both the balance of NPAs and the NPA ratio. During the Reporting Period, the Group's risk management capability continuously improved. The balance of NPAs has been continuously reduced since 2023, and the NPA ratio has also declined, reflecting an overall positive trend in asset quality.

The Group has consistently attached great importance to building its risk resilience, regarding the maintenance of a reasonable and sufficient provision level as an important measure to cope with potential credit risks and enhance operational resilience. As at December 31, 2025, the Group's allowance coverage ratio for NPAs was 304.71%, which has remained steadily above 300% for multiple consecutive reporting periods, providing a solid safeguard for the sustainable and high-quality development of the Group's business.

CREDIT RISK CONCENTRATION

To effectively control the risks arising from the excessive concentration of assets with the same attributes in the asset portfolio, the Group has strictly implemented regulatory requirements. Combined with its own risk appetite, the Group proactively formulated and implemented a series of concentration limit indicators, imposing strict limits on the ratio of the balance of risk exposure to a single client, a single industry, and a single region to net assets, so as to systematically achieve the goal of risk diversification.

In 2025, closely centring on the core task of serving the real economy, the Group fully leveraged its professional advantages, actively responded to national policy guidance, continuously promoted the optimisation of business structure, and made every effort to support the development of new quality productive forces. On the one hand, the Group set the advancement of the “Five Major Sectors of Finance” and the cultivation of emerging industries as key objectives, focusing on key industrial sub-sectors and striving to strengthen its presence and in-depth expansion. As at the end of 2025, the present value of interest-earning technology finance assets reached RMB10.186 billion, representing an increase of 71.9% as compared with the end of last year. Annual new business investments amounted to RMB8.604 billion, representing a year-on-year increase of 67.7%. Among them, the present value of interest-earning niche business assets was RMB3.153 billion, representing an increase of 27.6% as compared with the end of last year, and the annual new business investment in niche business was RMB2.388 billion, representing a year-on-year increase of 10.9%. The Group provided comprehensive financial services tailored to the operational characteristics and growth stages of technology enterprises, achieving growth in both asset scale and new business investment. The present value of interest-earning green finance assets was RMB16.976 billion, with an annual new business investment of RMB6.652 billion. Among them, the present value of interest-earning clean energy assets increased by 22.7% as compared with the end of last year, and annual new business investment increased by 118.3% year-on-year. We successfully expanded into new business areas such as hydrogen energy, new energy heavy-duty trucks, commercial and industrial energy storage, and battery recycling, further deepening the Group’s presence in sub-sectors. The present value of interest-earning inclusive finance assets stood at RMB10.479 billion, with an annual new business investment of RMB6.936 billion, providing financial support to over 1,600 medium-, small- and micro-sized enterprises. The pension finance product system was gradually improved, with the innovative introduction of home-based elderly care equipment leasing products, focusing on the financial service needs of high-quality medical-nursing integrated institutions, health and wellness institutions, and senior care equipment manufacturers, thereby steadily accumulating related business. The present value of interest-earning digital finance assets was RMB4.501 billion, with an annual new business investment of RMB1.306 billion. The Group continued to deepen strategic collaboration with partners in the computing power ecosystem, supporting enterprises in their digital and intelligent transformation. On the other hand, facing an external economic environment with increased uncertainty, the Group appropriately increased its support for businesses related to central and state-owned enterprises, supporting financing needs in areas related to people’s livelihood such as major project construction, energy supply, and urban renewal. The proportion of annual new business investment in state-owned and central enterprises increased by 12 percentage points to 60%, and the proportion of present value of interest-earning assets of state-owned and central enterprises as at the end of the year exceeded 56%, further enhancing business resilience and optimising asset structure.

As at the end of 2025, the Group’s key asset sectors were advanced manufacturing and construction, which together accounted for 44.3% of total present value of interest-earning assets, representing an increase of 2.6 percentage points as compared with the end of last year, with the focus on key industries further enhanced. On the one hand, the Group actively

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seized market opportunities brought by large-scale equipment renewal, consumer goods trade-in, development of green productive forces, and advances in digital and intelligent technologies, while continuing to strengthen business investment and resource allocation in strategic emerging industries such as high-end equipment manufacturing, next-generation information technology, new energy, and new materials. On the other hand, in response to the national urban renewal initiative, the Group continuously reinforced its support for major construction projects and central state-owned enterprises in the construction sector. As a result, the proportion of key asset sectors remained stable with an upward trend, and asset concentration stayed within a reasonable range, which not only highlighted industry-specific strengths but also achieved appropriate risk diversification. At the same time, the Group maintained a keen understanding of regulatory guidance, made orderly adjustments to the business structure of sectors such as urban utilities, culture and tourism, and healthcare, accelerated the transformation and upgrading of traditional businesses, and continuously promoted the optimisation of asset structure and the enhancement of asset quality.

As at the end of 2025, the present value of interest-earning assets in the advanced manufacturing sector was RMB20,775.3 million, representing an increase of 4.6% as compared with the end of last year and accounting for 22.8% of total interest-earning assets. This represented an increase of 1.7 percentage points in proportion as compared with the end of last year, maintaining its position for many consecutive years as the Group's largest asset sector. In 2025, driven by the effective incentives of large-scale equipment renewals and various supportive policies for the manufacturing industry, the industrial sector continued the strong development momentum of 2024. Key indicators performed well, with equipment manufacturing and high-tech manufacturing demonstrating particularly significant growth. The Group seized policy opportunities and fully leveraged its distinctive "financing with capital + goods" business model. With core equipment as the primary leased assets, the Group strengthened its financial support for advanced manufacturing enterprises in sectors such as high-end equipment manufacturing, next-generation information technology, and new materials, while actively supporting the digital, intelligent, and green transformation of traditional manufacturing enterprises. Annual new business investment in the advanced manufacturing sector reached RMB13.886 billion, representing a year-on-year increase of 10.6%. The Group actively supports the development of new quality productive forces and has formed a sizeable asset portfolio in key fields such as chemical new materials manufacturing, electrical machinery manufacturing, and industrial equipment manufacturing. It continuously provides high-quality financial services to niche enterprises in the manufacturing sector and has built up a pipeline of high-quality projects and core customers with development potential. While the scale of the advanced manufacturing sector grew steadily, its development quality continued to improve.

As at the end of 2025, the present value of interest-earning assets in the construction sector was RMB19,557.3 million, representing an increase of 0.8% as compared with the end of last year and accounting for 21.5% of total interest-earning assets. This represented an increase of 0.9 percentage points in proportion as compared with the end of last year. Currently, the market concentration of the construction industry continues to increase. Central state-owned construction enterprises and large state-owned enterprises have significant advantages in undertaking major construction projects, and the proportion of the value of newly signed contracts with them has long remained at a high level. The Group mainly serves central state-owned construction enterprises and large state-owned enterprises in the construction field. Leveraging years of professional operation and resource accumulation, the Group has formed deep business advantages. Annual new business investment in the construction sector was RMB11.638 billion, representing a year-on-year increase of 3.3%. Among this, the proportion invested in central and state-owned enterprises was as high as 91%. Relying on a high-quality customer base, the business development of the construction sector has maintained a steady trend for a long time.

9.2 COMPLIANCE RISK

Compliance risk refers to the possibility of legal liability, regulatory actions, disciplinary penalties, financial losses, reputational damage, or other adverse impacts arising from non-compliant behaviour by the Company or its employees during business operations and management. In 2025, to mitigate compliance risks, the Group took the following measures: First, from the perspective of the Group's overall interests, it actively cooperated in aligning the compliance management systems of the parent and subsidiaries, ensuring consistency and effectiveness across both levels. The Group continuously improved its compliance management system and completed the revision and issuance of the "Compliance Manual", "Management Measures for Identifying Responsibility for Non-Performing Assets", and "Regulations on Integrity in Professional Conduct", and, in accordance with new regulatory requirements, also formulated the "Quality Management System for Medical Devices in the Financial Leasing Business". Second, the Group conducted multiple special compliance inspections, followed a problem-oriented approach, and further enhanced the closed-loop management of inspection, supervision, rectification, and feedback, thereby providing recommendations for strengthening the enforcement and effectiveness of its systems. Third, the Group continued to promote the development of a compliance culture, raising employees' compliance awareness through written publications, special reports, training sessions, and exchanges. Fourth, leveraging technology to empower compliance management, the Group completed the development and launch of the dedicated OA process for regulatory report submissions by branches, which strengthened the control over the process of branch report submissions. Additionally, options for identifying major matters were embedded into the approval submission, reporting and contract/agreement processes to prevent the risk of procedural non-compliance related to major matters at the source.

9.3 LIQUIDITY RISK

Liquidity risk refers to the risk that we are unable to obtain sufficient funds in a timely manner and at reasonable costs to satisfy capital needs arising from our normal operations. We improve our ability to obtain liquidity at reasonable costs and in a timely manner by identifying, measuring, monitoring, assessing and controlling liquidity risk and properly managing and allocating our assets and liabilities. In order to effectively monitor and manage liquidity risk, the Group formulated and promulgated internal policies such as the Measures for the Management of Liquidity Risk, and carried out daily liquidity risk management through regular tracking and assessment of liquidity conditions and related indicators. The details are as follows:

1. Regarding the medium- and long-term liquidity risk management

- (1) Implement asset-liability structure management by determining a reasonable asset-liability ratio, monitoring and forecasting the ratio and complying with a predetermined upper limit of the aforementioned ratio;
- (2) Implement the liability maturity profile management by tracking and forecasting the liability maturity profile, analysing the duration matching of assets and liabilities to ensure that maturity mismatches are always within a reasonable range;
- (3) Implement the management of credit lines by continuously tracking various information of the existing credit lines, such as the amount, type, tenor, currency, etc., to ensure that the Group maintains sufficient committed credit facilities;
- (4) The Group values cooperation with various financial institutions, maintains financing reserves across multiple markets and channels, focuses on centralised financing management at the group level and keeps financing channels open.

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During the Reporting Period, the Group's continuously sufficient capital and financing reserves lowered the likelihood of liquidity risk and ensured its stable operation in the complex market environment. All core liquidity indicators of the Group were higher than the internal management requirements and external regulatory requirements.

2. Regarding intraday liquidity risk management

- (1) Monitor fund outflows and collections on a daily basis to ensure sufficient intraday liquidity positions and timely meet payment obligations under both normal and stressed conditions;
- (2) Manage the internal liquidity reserves prudently to ensure the liquidity required for daily operations and debt repayments;
- (3) Established a liquidity risk control indicator system, managed, identified and tracked risk control indicators, and implemented corresponding early warning and reporting processes for liquidity risk;
- (4) Formulated emergency plans regarding liquidity risks, and conducted liquidity emergency drills on a regular and ad hoc basis.

In 2025, the Group formulated reasonable and orderly capital planning based on market liquidity conditions and further improved its liquidity management mechanism. Its liquidity position was sound, and its liquidity risk management capability continued to improve.

9.4 INTEREST RATE RISK

Interest rate risk refers to the risk of adverse effects on overall income and economic value resulting from adverse movements in interest rates. The Group has formulated and implemented internal guidelines on interest rate risk management, with specific requirements on matters such as the management procedures, division of responsibilities, as well as applicable tools used to identify and measure interest rate risks. We seek to keep the interest rate sensitivity gap at a reasonable level by closely monitoring the market and managing our asset and liability structure.

We have established a reporting system whereby the results of interest rate sensitivity analyses and interest rate management are presented to management for review on a monthly basis. Save for some business contracts and loan agreements that are entered into at a fixed interest rate, most of the Group's business contracts with its customers and loan agreements with lending banks are denominated in RMB and bear floating rates using LPR as a benchmark. Therefore, our assets and liabilities under these contracts or agreements fluctuate with the changes in the benchmark LPR. Overall, the risk of interest rate repricing remains controllable.

Some of the Group's financing denominated in foreign currency generates interest rate risks, and we use interest rate swaps and currency swaps to hedge against interest rate risks. As at December 31, 2025, the notional amount of the Group's interest rate swaps was RMB247.1 million.

9.5 EXCHANGE RATE RISK

Exchange rate risk refers to the risk of adverse effects on overall income and economic value resulting from adverse changes in exchange rates. Exchange rate risk of the Group is primarily attributable to the mismatch of the currencies of our assets and liabilities and is mainly affected by changes in the exchange rates of Renminbi against US dollar. The Group manages its exchange rate risk under the principle of risk neutrality by identifying and measuring the impact of exchange rate changes on its operations through exchange rate sensitivity analysis, matching assets and liabilities denominated in different currencies. For exchange rate risk exposure arising from financing activities, the Group hedges against exchange rate risk by using foreign exchange derivatives when appropriate and necessary. The operating lease (aircraft leasing) business of the Group is also funded by loans denominated in US dollars and there is no exchange rate risk exposure.

Such arrangement greatly reduces the exchange rate risk exposure. We use foreign exchange forwards to hedge against exchange rate risks. As at December 31, 2025, the notional amount of the Group's foreign exchange forwards was RMB13.4 million.

9.6 OPERATIONAL RISK

Operational risk refers to the risk of losses associated with deficiencies or failure of our internal policies and procedures, personnel and systems, or from external events. Under the comprehensive risk management system, the Group proactively identified operational risks arising from the external environment, internal processes, employee conduct and information technology systems. It assessed the status of operational risk management on a regular and ad hoc basis, and improved relevant operational risk control and mitigation measures in a targeted manner. The Group optimised relevant information systems and leveraged fintech to enhance operational risk management, improving the capabilities of active monitoring of leased assets and risk early warning. It also refined the procedures for the identification, assessment, measurement, monitoring, response and reporting of operational risks across all departments, and continuously strengthened training and assessment on operational risk management to enhance its effectiveness. In 2025, the Group's operational risk profile remained sound, with no major operational risk incidents occurring.

9.7 REPUTATIONAL RISK

Reputational risk refers to the risk of negative perception by stakeholders relating to operations, management, or other actions that we take, as well as external events relating to us. We have formulated reputational risk management policies and rules as well as the processes for identifying, monitoring, assessing and reporting reputational risks and resolving material reputational risk events under our comprehensive risk management framework. We have dedicated personnel to manage our media-related matters, including media and public relations, public sentiment monitoring and crisis communications, and leveraged big data and public sentiment monitoring systems in order to closely monitor and properly address reputational risk events. In 2025, the overall public opinion environment of the Group remained positive and no major reputational risk incident was encountered.

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10. HUMAN RESOURCES

As at the end of 2025, the Group had 1,415 full-time employees (excluding dispatched workers) in total. The Group has a highly skilled and professional workforce. As at the end of 2025, approximately 93.7% of the Group's employees held a bachelor's degree or above or undergraduate qualifications or above, and 34.1% of the employees held a master's degree or above or postgraduate qualifications or above.

The Group has broadened talent development pathways and continuously advanced its talent pipeline development to establish a relatively comprehensive talent cultivation system. In 2025, we organised a total of 311 training sessions with 27,884 employee participations. We regularly conducted the "Building New Dreams" new employee creativity camp to enhance employee onboarding and cultural alignment. We implemented the "Sunflower Program" business empowerment training to precisely meet the development needs of different groups and support the high-quality business development. Focusing on our strategically supported industries, we intensified the recruitment of industry talent and widely equipped employees with cutting-edge industry knowledge through training programs such as "Haitong Unitrust Lecture Hall" and "Industrial Research and Exchange".

During the Reporting Period, the Group's total staff costs amounted to RMB741.0 million.

The Group is committed to building a competitive and fair remuneration and benefits system and continuously improves the remuneration and incentive policies in order to effectively drive the business development of the Group through remuneration and incentives. In accordance with applicable PRC laws and regulations, the Group made contributions to social security and insurance funds (including pension insurance, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing provident funds for its employees. In addition to insurance stipulated in accordance with applicable PRC laws and regulations, the Group also provided supplemental commercial medical insurance. During the Reporting Period, the Group complied with all statutory obligations in respect of social insurance and housing provident funds applicable to the Group in accordance with the applicable PRC laws in all material respects.

11. CHARGES ON ASSETS

As at December 31, 2025, the Group's finance lease receivables with a carrying amount of approximately RMB235.3 million were pledged as collateral for borrowings, while property and equipment with a carrying amount of approximately RMB5,850.2 million were secured and equity interests in certain subsidiaries held by the Group were pledged to banks as collateral for bank borrowings.

12. CONTINGENT LIABILITIES

As at December 31, 2025, the Group had no contingent liabilities.

13. SUBSEQUENT EVENTS

The Group has not experienced any significant subsequent events since December 31, 2025.

14. MATERIAL LAWSUITS, LITIGATIONS AND ARBITRATIONS

During the Reporting Period, there was no outstanding material litigation or arbitration which had a significant impact on the operations of the Group.

15. SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS

During the Reporting Period, neither the Company nor any of its subsidiaries held any significant investments or conducted any material acquisitions or disposals.

Directors and Senior Management

1. BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Mr. Mao Yuxing (毛宇星), aged 54, holds a doctor's degree in science and is a professor-level senior engineer. He has served as an executive Director and the chairman of the Board of the Company since September 2025. Mr. Mao has served as a vice president of Guotai Haitong Securities since April 2025, and as a director and the chairman of the board of directors of Haitong UT Capital since August 2025.

Mr. Mao served as deputy section chief, section chief and deputy division chief of the information technology department of the Shanghai Branch of the Industrial and Commercial Bank of China from August 1993 to September 2001, assistant to the general manager (at both deputy division and division levels) and member of the Party Committee, and deputy general manager and member of the Party Committee of the data centre (Shanghai) of the Industrial and Commercial Bank of China from September 2001 to November 2011, deputy general manager of the information technology department at the head office of the Industrial and Commercial Bank of China from November 2011 to April 2016, member of the Party Committee, deputy general manager and chief information officer of Haitong Securities from April 2016 to April 2025, and a director of E-Capital Transfer Co., Ltd. from June 2024 to May 2025.

Mr. Zhang Xinjun (張信軍), aged 50, holds a master's degree in management and is a senior accountant, and has served as a non-executive Director of the Company since May 2023. Mr. Zhang has served as a non-executive director of Haitong Bank, S.A. since January 2018, a non-executive director of Haitong International Securities Group Limited since March 2018, an executive director of Haitong Investment Ireland PLC since February 2020, and a director of Haitong International Holdings Limited since March 2023. He has served as a director of Haitong UT Capital since April 2023, and vice president and chief financial officer of Guotai Haitong Securities since April 2025.

Mr. Zhang worked at the planning and finance department of Haitong Securities and successively served as office clerk, deputy manager and manager of the asset management department from July 2001 to June 2007. He has worked for Haitong International Holdings Limited from July 2007 to December 2024, during which he was the head of finance from July 2007 to February 2009 and the chief financial officer from March 2009 to December 2024. Mr. Zhang served as the chief financial officer of Haitong International Securities Group Limited from March 2010 to March 2018, the chief financial officer of Haitong Securities from March 2018 to April 2025, chairman of the board of directors of Haitong UT Capital from April 2023 to August 2025, and deputy general manager of Haitong Securities from June 2023 to April 2025.

Ms. Zheng Huan (鄭歡), aged 50, holds a master's degree in business administration, and has served as a non-executive Director of the Company since September 2025. Ms. Zheng has served as deputy general manager of the asset operation department III of Shanghai Guosheng (Group) Co., Ltd. since July 2024.

Ms. Zheng worked at Shanghai Industrial Investment (Group) Co., Ltd. from January 2008 to February 2019, where she successively served as assistant to the general manager, deputy general manager and general manager of the asset management department, and head of the office. From January 2008 to September 2019, she successively served as director, and later as director and chief financial officer of Shanghai Group Australia Pty Ltd. She served as a supervisor

of Shanghai Optical Communications Development Co., Ltd. from August 2011 to January 2014, and successively as a supervisor and a director of Shanghai Tianma Organic Light-Emitting Display Technology Co., Ltd. from April 2013 to January 2018. She served as a director of Shanghai Puruixin Steel Plate Manufacturing Co., Ltd. from February 2015 to December 2020, and deputy general manager of the international business department of Shanghai Guosheng (Group) Co., Ltd. from February 2019 to July 2024.

Mr. Lu Tong (呂彤), aged 52, holds a doctor's degree in management science and engineering, and has served as a non-executive Director of the Company since May 2022. Mr. Lu has served as a vice president of the Shanghai Electric Finance Group since January 2021, director and general manager of Shanghai Electric Hongkong Company Limited, and director and general manager of Shanghai Electric Group Hongkong Company Limited since February 2023.

Mr. Lu served as the project manager of the investment banking department of Bohai Securities Co., Ltd. (渤海證券有限責任公司) from April 2001 to May 2003 and the project manager of the investment banking department of Kinghing Securities Co., Ltd. (金信證券有限責任公司) from June 2003 to May 2004. He also successively worked as the project manager of the investment banking department, the deputy manager of the investment banking department, the manager of the investment banking department, the assistant to general manager and the deputy general manager of Shanghai Electric Group Finance Co., Ltd. from June 2004 to March 2017. Mr. Lu served as the general manager of Shanghai Electric Insurance Broker Co., Ltd. from August 2013 to March 2016, general manager of Shanghai Tourmaline Asset Management Co., Ltd. (上海途靈資產管理有限公司) from July 2015 to October 2024, executive director of Shanghai Electric Financial Leasing Co., Ltd. from April 2020 to June 2022, general manager of Shanghai Electric Financial Leasing Co., Ltd. from April 2020 to February 2023, and chairman of the board of directors of Shanghai Electric Financial Leasing Co., Ltd. from June 2022 to October 2024.

Ms. Zhou Jianli (周劍麗), aged 53, holds a master's degree in business administration and the qualifications of Certified Tax Agent and senior accountant, and is an executive Director and general manager of the Company. Since joining the Company in February 2014, Ms. Zhou has successively served as chief financial officer and deputy general manager concurrently serving as chief financial officer. She has served as an executive Director and the general manager since May 2017 and May 2020, respectively. Ms. Zhou has served as a director of Haitong Unitrust International Financial Leasing (Tianjin) Corporation since April 2017 and has been the chairwoman of the board of directors since November 2021. She has served as a director of Haitong UniFortune Financial Leasing (Shanghai) Corporation since April 2017. She has served as a director of Shanghai UniCircle Investment & Development Co., Ltd. since April 2017 and has been the chairwoman of the board of directors since September 2025. She has been a director of Shanghai Dingjie Construction Development Co., Ltd. since June 2018 and a director of Haitong UT MSE Financial Leasing (Shanghai) Co., Ltd. since September 2020.

Ms. Zhou served as the Communist Youth League secretary and teaching assistant of the College of Foreign Languages at Northeast Forestry University from July 1993 to August 1995 and a lecturer of the College of Economics and Management at Northeast Forestry University from December 1997 to February 2000. Ms. Zhou worked for Haitong Securities from February 2000 to March 2014 and successively served as the manager of the finance department of Harbin business department of Haitong Securities, officer and senior executive officer of the finance and accounting department, assistant manager and manager of the financial management department of the finance department, and assistant to general manager of the finance department of Haitong Securities.

Directors and Senior Management

Mr. Wu Shukun (吳淑琨), aged 53, holds a doctor's degree in management science and engineering management, and has served as a non-executive Director of the Company since April 2017. Mr. Wu has served as a director of Haitong UT Capital since March 2017, a director of HFT Investment Management Co., Ltd. since April 2017, a director of Shanghai Haitong Securities Asset Management Co., Ltd. since March 2020, and a co-general manager (co-director) of the strategic development department (digital transformation office) of Guotai Haitong Securities since April 2025.

Mr. Wu served as a postdoctoral researcher of Nanjing University in the PRC from November 1999 to October 2001. Mr. Wu worked for Haitong Securities from November 2001 to April 2025 and served in various positions, including researcher, manager of the macro research department, assistant to director of the research institute, deputy general manager of the institutional business department, deputy general manager (in charge) of the corporate and private customers department, general manager of the corporate finance department and general manager of the strategic development department.

Mr. Zhang Shaohua (張少華), aged 58, holds a bachelor's degree in law and has served as a non-executive Director of the Company since January 2014. Mr. Zhang has served as a director of Haitong Futures Co., Ltd. since June 2019, a director of Shanghai Haitong Securities Asset Management Co., Ltd. since October 2019 and general manager of the asset and liability department of Guotai Haitong Securities since April 2025.

Mr. Zhang worked for Haitong Securities from June 1996 to April 2025 and served in various positions, including investment officer of the finance and accounting department, assistant manager and manager of the integrated management department of the finance and accounting department, manager of the capital management department of the finance department, assistant to general manager of the finance department, deputy general manager of the finance department, deputy general manager of the capital management department, deputy general manager (in charge) of the capital management department, and general manager of the capital management headquarters.

Ms. Wu Jian (吳健), aged 52, holds a master's degree in finance. She is an employee Director, secretary of the discipline inspection commission and chairwoman of the labour union of the Company. Ms. Wu joined the Company in November 2014 and successively served as chief human resources officer, assistant to the general manager and chief human resources officer, and deputy general manager and chief human resources officer. She has served as secretary of the discipline inspection commission of the Company since November 2016, chairwoman of the labour union of the Company since March 2019, and employee Director of the Company since October 2025.

Ms. Wu worked at Haitong Securities from July 1996 to November 2014, where she successively served as secretary in the general manager's office, staff member of the human resources development department, specialist, deputy manager and manager of the personnel allocation department, and manager and assistant to the general manager of the talent management department.

Mr. Yao Feng (姚峰), aged 65, holds a master's degree in monetary banking and a qualification certificate as independent director for listed companies from the Shenzhen Stock Exchange. He has been an independent non-executive Director of the Company since May 2020. Mr. Yao has served as an independent director of China Youran Dairy Group Limited (a company listed on the Hong Kong Stock Exchange (stock code: 9858)) since June 2021.

Mr. Yao successively served as an officer, deputy chief officer, chief officer and deputy director of the statistics and research division of the integrated planning department of the Ministry of Finance of the PRC from August 1983 to March 1993, a deputy department manager and general manager of China Economic Development Trust & Investment Corporation from March 1993 to April 1997, a deputy general manager of the financial and securities department of China Travel Service (Holdings) Hong Kong Limited from April 1997 to July 1998 and a deputy general manager of China Travel Financial Investment Holdings Hong Kong Co., Limited from July 1998 to June 1999. Mr. Yao successively served in various positions at the China Securities Regulatory Commission from June 1999 to May 2013, including director of the institutional supervision department, a party committee member and deputy director of the Guangzhou Securities Regulatory Office, a party committee member and deputy director of the Guangzhou Regulatory Bureau, deputy director of the risk disposal office for securities companies, inspector and deputy director of the accounting department, and a commissioner of the Shanghai Commissioner's Office. Mr. Yao served in the China Association of Public Companies from May 2013 to April 2017 as Party secretary and vice-chairman. Mr. Yao was an adjunct professor of China University of Political Science and Law from June 2015 to June 2018 and a council member of the Business School of China University of Political Science and Law from May 2017 to December 2022. Mr. Yao was a member of the first session of the self-regulatory committee of the council of the Shenzhen Stock Exchange from December 2014 to December 2017, and served as the deputy mayor of Hangzhou Municipal People's Government from June 2017 to October 2019, the deputy Party secretary and the chairman of the board of supervisors of China Association of Public Companies from June 2019 to September 2019.

Mr. Zeng Qingsheng (曾慶生), aged 51, holds a doctor's degree in management specialising in accounting and was a visiting scholar at Rensselaer Polytechnic Institute in the U.S. He holds the qualification of non-practising member issued by the Chinese Institute of Certified Public Accountants, a qualification certificate as independent director from the Shanghai Stock Exchange and completed the training for senior management (independent director) of listed companies organised by the Shenzhen Stock Exchange and the Shanghai Stock Exchange, respectively. Mr. Zeng has been an independent non-executive Director of the Company since May 2017. Mr. Zeng has served as an associate professor, doctoral supervisor, professor and deputy dean of the School of Accounting of Shanghai University of Finance and Economics in the PRC since March 2010, an independent non-executive director of Jiangsu Hengrui Pharmaceuticals Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 600276, and a company listed on the Hong Kong Stock Exchange, stock code: 1276) since February 2023, and an independent director of Huatai Securities (Shanghai) Asset Management Co., Ltd. since December 2025.

Mr. Zeng worked as a lecturer and associate professor of the Faculty of Accounting of Antai College of Economics and Management of Shanghai Jiao Tong University in the PRC from April 2005 to March 2010. Mr. Zeng served as an independent director of Jiangsu Yixing Rural Commercial Bank Co., Ltd. from June 2017 to February 2019, and an independent director of Shanghai Vital Deeptech Co., Ltd. (formerly known as Shanghai Wanye Enterprises Co., Ltd.; a company listed on the Shanghai Stock Exchange, stock code: 600641) from December 2015 to January 2022.

Directors and Senior Management

Mr. Wu Yat Wai (胡一威), aged 57, holds a master's degree in accounting and finance and has been an independent non-executive Director of the Company since May 2017. Mr. Wu has served as an independent non-executive director of C&D Property Management Group Co., Ltd (a company listed on the Hong Kong Stock Exchange (stock code: 2156)) since December 2020.

Mr. Wu served as an analyst of the planning and finance department of The Hong Kong Jockey Club from September 1992 to April 1993, deputy manager and manager of the corporate trust department of Bankers Trust Company from April 1993 to July 1995, analyst of Credit Lyonnais Securities (Asia) Limited from November 1996 to April 2000, and director of Constant Fine Limited from January 1997 to May 2001. He worked in Lehman Brothers Asia Limited from April 2000 to May 2005, during which he served as the senior vice president of the equity research division in Hong Kong. He worked in Goldman Sachs (Asia) L.L.C. from May 2005 to May 2016, during which he served as the managing director of the global investment research division.

Mr. Yan Lixin (嚴立新), aged 62, holds a doctor's degree in economics and has been an independent non-executive Director of the Company since May 2020. Mr. Yan has served as an associate professor of the Institute for Financial Studies of School of Economics of Fudan University since August 2008, executive director of China Centre for Anti-Money Laundering Studies of Fudan University since January 2017, and a professor of finance at the Fudan International School of Finance of Fudan University since March 2024. Mr. Yan has been the only Chinese council member of the International Network of AML/CFT Institute since November 2017. He has served as the President and Dean of Lujiazui Financial Security Institute, Pudong, Shanghai since August 2021, president of the International Anti-Money Laundering Association (IALA) since October 2022, and a specially appointed expert of the "National Anti-Money Laundering Team" of the Ministry of Public Security of the People's Republic of China since December 2024.

Mr. Yan served as a teaching assistant at the School of Foreign Languages of Jiangsu University (formerly known as the Department of Foreign Languages of Zhenjiang Teachers College) from July 1985 to July 1993, the chief secretary of the Foreign Economic Trade Commission of Zhenjiang City, Jiangsu Province from July 1993 to December 1995, head of the general office of Foreign Trade Exchange Co., Ltd. of Zhenjiang City, Jiangsu Province from January 1996 to February 1996, a legal representative and deputy general manager of Textile Import & Export Corporation of Zhenjiang City, Jiangsu Province from February 1996 to December 1996, the chairman of the board of directors and general manager of Knitted Cotton Import & Export Co., Ltd. of Zhenjiang City from January 1997 to August 2002 and the chairman of the board of directors of Shanghai Yifei-KHT International Trade Co., Ltd. from September 2002 to December 2004. Mr. Yan was the Secretary-General of China Centre for Anti-Money Laundering Studies of Fudan University from October 2005 to December 2016, a postdoctoral fellow in journalism and communication at the School of Journalism of Fudan University from September 2006 to June 2008, a lecturer at the Institute of Finance, Fudan University from August 2008 to August 2009, a lecturer at the Institute of Finance, School of Economics, Fudan University from September 2009 to July 2015, and an associate professor at the School of Economics, Fudan University from September 2015 to February 2024.

SENIOR MANAGEMENT

Ms. Zhou Jianli, aged 53, is an executive Director and general manager of the Company. Please see “— Directors” in this section for the biographical details of Ms. Zhou.

Mr. Fu Da (傅達), aged 39, holds a master’s degree in finance and economics and is a deputy general manager and secretary to the Board, and a joint company secretary of the Company. Mr. Fu joined the Company in December 2014 and successively served as the general manager of the key accounts department, assistant to the general manager, chief risk officer and compliance director. He has served as the secretary to the Board since May 2017 and a deputy general manager since March 2019. Mr. Fu has served as a director of Haitong Unitrust International Financial Leasing (Tianjin) Corporation since November 2021.

Mr. Fu served in various positions at Haitong Securities from September 2009 to December 2014, including an officer, manager and senior manager of the investment banking department.

Mr. Liu Heping (劉和平), aged 57, holds a doctor’s degree in international law and the qualification of a lawyer, and is a deputy general manager and chief legal officer of the Company. Since joining the Company in November 2014 as chief legal officer, Mr. Liu has also been a deputy general manager and chief legal officer since August 2015.

Mr. Liu served in various positions in Haitong Securities from July 2000 to November 2014, including officer of the general manager office, assistant manager and division head of the legal department of the general manager office, assistant to general manager of the risk and asset management department, officer of the compliance office, assistant to general manager of the compliance department and assistant to general manager of the compliance and risk management department.

Ms. Xiao Dan (肖丹), aged 43, holds a master’s degree in management and is a financial risk manager (FRM). She joined the Company in October 2025 as deputy general manager, chief risk officer and compliance director.

Ms. Xiao worked at KPMG Huazhen LLP from August 2006 to October 2009 and at KPMG Advisory (China) Limited from October 2009 to April 2012, where she successively served as assistant manager and manager. She worked at Haitong Securities from May 2012 to April 2025, where she successively held several positions, including a member of the compliance and risk management headquarters, deputy manager and manager of the general liaison department, manager of the group risk liaison department of the risk management department, and assistant to the general manager, deputy general manager, and deputy general manager (in charge) of the risk management department. From April 2025 to September 2025, she served as deputy general manager of the risk management department of Guotai Haitong Securities.

Directors and Senior Management

Mr. Wang Xiaoping (王曉平), aged 51, holds a master's degree in business administration and is a senior engineer. He joined the Company in October 2025 as deputy general manager and chief information officer.

Mr. Wang served as deputy section chief of the software section I of the information technology department of the Shanghai Branch of the Industrial and Commercial Bank of China from August 1997 to November 2003. He worked at the software development centre of the Industrial and Commercial Bank of China from November 2003 to October 2018, where he successively served as general manager of the Shanghai development department I of the Shanghai R&D department, general manager of the Shanghai development department III of the Shanghai R&D department, expert of the software development centre, and senior expert (at deputy general manager level). From October 2018 to May 2021, he served as a committee member and deputy general manager of the digital technology company of the fintech innovation centre of the finance division of Sinochem Group. He served as solutions consultant (chief data officer) of the global financial services department of Huawei from May 2021 to November 2021. He served as deputy general manager of the software development centre of Haitong Securities from December 2021 to April 2025. From April 2025 to September 2025, he served as deputy general manager of the technology R&D department of Guotai Haitong Securities.

Ms. Sang Linna (桑琳娜), aged 49, holds a master's degree in business administration and is a deputy general manager of the Company. Ms. Sang served as the general manager of the business department and vice president of business of the Company from April 2009 to August 2015, executive deputy general manager and chief business officer of Gui'an UT Financial Leasing (Shanghai) Co., Ltd. from April to October 2018, assistant to the general manager of the Company from March 2019 to January 2023, and the compliance director (deputy general manager level) of the Company from January 2023 to January 2025. She has served as a deputy general manager of the Company since January 2025. Ms. Sang has served as a director and the chairwoman of the board of directors of Haitong UniFortune Financial Leasing (Shanghai) Corporation, a director and the chairwoman of the board of directors of Haitong UT MSE Financial Leasing (Shanghai) Co., Ltd., and a director and the chairwoman of the board of directors of Shanghai Dingjie Construction Development Co., Ltd. since February 2025.

Ms. Sang served as a sales manager of CIT Finance & Leasing Corporation from July 2002 to April 2009, a vice president of Peking Central Ocean Prolific Energy Power Investment Limited from August 2015 to October 2016, a vice president of Zhengqi (Beijing) Asset Management Co. Ltd. from January 2017 to September 2017 and a general manager of Shaanxi DaTang Silk Road International Financial Leasing Co., Ltd. from September 2017 to April 2018.

Mr. Yao Jun (姚駿), aged 41, holds a master's degree in science and is an auditor. He has served as the chief audit officer (assistant to the general manager level) of the Company since July 2025.

Mr. Yao served as a business supervisor at China Mobile Communications Group Shanghai Co., Ltd. from July 2009 to August 2014, a senior auditor at Bank of Communications Co., Ltd. from September 2014 to March 2016, and an audit manager at Nanyang Commercial Bank (China) Limited from March 2016 to September 2016. He worked at the audit department of Haitong Securities from September 2016 to January 2024, where he successively served in the project management position, information system audit position, deputy manager of the fifth audit department, and manager of the first audit department. From January 2024 to July 2025, he served as a member of the executive committee of Haitong International Securities Group Limited.

Directors and Senior Management

Mr. Wang Shanghong (王尚鴻), aged 42, holds a master's degree in management and is assistant to the general manager of the Company. Since joining the Company in September 2013, Mr. Wang successively served as project manager of the public service business headquarters, regional sales director, regional director, deputy general manager and deputy general manager (in charge) of the Chongqing branch, and assistant sales officer of the Company and concurrently the general manager of the Chongqing branch. Mr. Wang has served as assistant to the general manager of the Company since January 2026.

Mr. Wang served as sales representative of Tsinghua Tongfang Co., Ltd. from July 2007 to August 2008, account manager of Lenovo Group from September 2008 to March 2010, and key account manager of China Hewlett-Packard Co., Ltd. from April 2010 to September 2013.

Mr. Wan Xubing (萬許兵), aged 39, holds a master's degree in management and is assistant to the general manager of the Company. Since joining the Company in September 2017, Mr. Wan has successively served as assistant to the general manager and deputy general manager of credit approval department II, deputy general manager of Shanghai Dingjie Construction Development Co., Ltd., deputy general manager (in charge) of the Guangxi branch, deputy general manager (in charge) and general manager of the Hubei branch, and general manager of the strategic development department of the Company. Mr. Wan has served as director and general manager of Haitong UniFortune Financial Leasing (Shanghai) Corporation since February 2025, and assistant to the general manager of the Company since January 2026.

Mr. Wan served as project manager and senior risk control manager of Far Eastern International Leasing Co., Ltd. from July 2010 to February 2015, risk control director of Haier Financial Leasing (China) Co., Ltd. from March 2015 to May 2016, risk control director of Shanghai Haisheng Shangshou Financial Leasing Co., Ltd. from May 2016 to December 2016, and deputy general manager of the leasing business department of Boshi Asset Management Co., Ltd. from December 2016 to September 2017.

2. CHANGES IN INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

In August 2025, Mr. Mao Yuxing was appointed as a director and the chairman of board of directors of Haitong UT Capital; Mr. Zhang Xinjun ceased to be the chairman of board of directors of Haitong UT Capital.

In September 2025, Ms. Zhou Jianli was appointed as chairwoman of the board of directors of Shanghai UniCircle Investment & Development Co., Ltd.

In September 2025, Mr. Mao Yuxing was appointed as chairman and executive Director of the Company; Ms. Zheng Huan was appointed as non-executive Director of the Company; and Ms. Ha Erman ceased to be a non-executive Director of the Company.

In October 2025, Ms. Wu Jian was appointed as employee Director and member of the Audit Committee of the Company.

In October 2025, Ms. Xiao Dan was appointed as deputy general manager, chief risk officer and compliance director of the Company; Mr. Wang Xiaoping was appointed as deputy general manager and chief information officer of the Company; Mr. Fu Da ceased to be chief risk officer of the Company and ceased to concurrently serve as compliance director of the Company.

In December 2025, Mr. Zeng Qingsheng was appointed as an independent director of Huatai Securities (Shanghai) Asset Management Co., Ltd.

In January 2026, Mr. Wang Shanghong and Mr. Wan Xubing were appointed as assistants to the general manager of the Company.

In September 2025, the composition of the professional committees of the Board underwent changes, details of which are set out in the section headed “Corporate Governance Report — Professional Committees of the Board” in this report.

Corporate Governance Report

The Board is pleased to present the corporate governance report of the Company for the year ended December 31, 2025.

1. CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high level of corporate governance in order to protect the rights of its Shareholders, enhance corporate value and improve the formulation of its development strategy as well as its transparency and accountability. The Company has adopted the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules as its own corporate governance practices.

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

The Company will continue to improve its corporate governance practices based on its business activities and development needs, and review such practices from time to time to ensure it complies with the Corporate Governance Code and keeps up with the latest developments.

2. MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

During the Reporting Period, the Company has adopted a code of conduct for the securities transactions of Directors and Supervisors on terms no less exacting than the standards of the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Hong Kong Listing Rules (the "Model Code"). Having made specific enquiries of all Directors and Supervisors, the Directors and Supervisors of the Company have confirmed that they had complied with the above-mentioned code during the Reporting Period (the Board of Supervisors was abolished on September 26, 2025; the Code was applicable to the Supervisors during the subsistence of the Board of Supervisors).

3. SHAREHOLDERS' GENERAL MEETING

Functions and Powers of Shareholders' General Meeting

The shareholders' general meeting is the governing body of the Company, and shall exercise the following functions and powers in accordance with the law:

- (1) to decide on the operating policies and investment plans of the Company;
- (2) to elect and replace directors who are not employee representatives, and to determine the remuneration of the relevant directors;
- (3) to consider and approve the reports of the board of directors;

Corporate Governance Report

- (4) to consider and approve the proposed annual financial budgets, final accounts and annual reports of the Company;
- (5) to consider and approve the profit distribution plans and loss recovery plans of the Company;
- (6) to adopt resolutions on any increase or reduction of the registered capital of the Company;
- (7) to adopt resolutions on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;
- (8) to adopt resolutions on the issuance of bonds by the Company;
- (9) to adopt resolutions on the appointments or dismissals of the accounting firm which conducts auditing of the Company;
- (10) to change the scope of business and amend the Articles of Association;
- (11) to consider and approve proposals made by shareholders representing not less than one percent (1%) (including 1%) of the voting shares of the Company separately or in aggregate;
- (12) to consider and approve acquisition or disposal of any material asset, or any guarantee to be provided to others with an amount exceeding 30% of the latest audited total assets of the Company within one year;
- (13) to consider and approve acquisition or disposal of any asset, or any single investment or borrowing with an amount equal to or exceeding ten percent (10%) of the latest net assets of the Company;
- (14) to consider and approve any connected transaction (as defined in the Listing Rules) or any single external guarantee with an amount equal to or exceeding ten percent (10%) of the latest net assets of the Company;
- (15) to establish, acquire or invest in any operating institutions;
- (16) to consider and approve share incentive plans;
- (17) to determine other matters to be resolved by the shareholders' general meeting as provided by the laws, administrative regulations, listing rules of the stock exchange(s) where the shares of the Company are listed and the Articles of Association.

Shareholders' General Meetings

A shareholders' general meeting shall be either an annual general meeting or an extraordinary general meeting. The annual general meeting is convened once a year and shall be held within six months from the conclusion of the preceding accounting year. A written notice of an annual general meeting convened by the Company shall be given at least 21 days prior to the convening of such meeting (exclusive of the day on which the meeting is held), and a written notice of an extraordinary general meeting shall be given at least 15 days prior to the convening of such meeting (exclusive of the day on which the meeting is held).

During the Reporting Period, the Company convened three shareholders' general meetings to consider and approve resolutions on the change of auditor of the Company, profit distribution, review of reports, amendments to the Articles of Association, the abolishment of the Board of Supervisors, the election of executive Directors and the election of non-executive Directors.

Attendance of the general meetings by Directors is set out as follows:

Directors	Number of meetings attended/ should have attended
Mr. Mao Yuxing ^{Note 1}	0/0
Mr. Zhang Xinjun	3/3
Mr. Zhao Jianxiang ^{Note 1}	2/2
Ms. Ha Erman ^{Note 2}	3/3
Ms. Zheng Huan ^{Note 2}	0/0
Mr. Lu Tong	3/3
Ms. Zhou Jianli	3/3
Mr. Wu Shukun	3/3
Mr. Zhang Shaohua	3/3
Ms. Wu Jian ^{Note 3}	0/0
Mr. Yao Feng	3/3
Mr. Zeng Qingsheng	3/3
Mr. Wu Yat Wai	3/3
Mr. Yan Lixin	3/3

Note 1: On August 20, 2025, Mr. Zhao Jianxiang resigned as an executive Director of the Company. On September 26, 2025, the shareholders' general meeting of the Company appointed Mr. Mao Yuxing as an executive Director of the Company. Mr. Mao Yuxing has confirmed that he had obtained the legal advice referred to in Rule 3.09D of the Hong Kong Listing Rules on September 24, 2025, and is aware of his responsibilities as a Director of the Company.

Note 2: On September 26, 2025, Ms. Ha Erman ceased to be a non-executive Director of the Company. On the same day, the shareholders' general meeting appointed Ms. Zheng Huan as a non-executive Director of the Company. Ms. Zheng Huan has confirmed that she had obtained the legal advice referred to in Rule 3.09D of the Hong Kong Listing Rules on September 24, 2025, and is aware of her responsibilities as a Director of the Company.

Note 3: On October 10, 2025, the Company convened an employee representative meeting, at which Ms. Wu Jian was elected as an employee Director of the Company. Ms. Wu Jian has confirmed that she had obtained the legal advice referred to in Rule 3.09D of the Hong Kong Listing Rules on October 10, 2025, and is aware of her responsibilities as a Director of the Company.

4. BOARD OF DIRECTORS

Functions and Powers of the Board

The Board shall be accountable to the shareholders' general meeting and exercise the following functions and powers:

- (1) to convene shareholders' general meetings and to report on its work to the shareholders' general meetings;
- (2) to implement the resolutions of the shareholders' general meetings;
- (3) to decide on the business plans and investment plans of the Company;
- (4) to formulate the annual financial budget and final accounts of the Company;
- (5) to formulate the plans for profit distribution and making up losses of the Company;
- (6) to formulate proposals for the increase or reduction of the registered capital and the issue of corporate bonds of the Company;
- (7) to formulate proposals for the acquisition and disposal of the material assets of the Company and plans for merger, division or dissolution of the Company;
- (8) to decide on the establishment of the internal management structure of the Company;
- (9) to appoint or remove the general manager and the secretary to the Board of the Company, to appoint or remove senior management, such as the deputy general manager, chief financial officer, chief risk officer (risk control officer), compliance director and assistant to the general manager based on the recommendations of the general manager, to sign appointment agreements, term of office and annual performance responsibility letters, to implement assessment and evaluation based on the responsibility letters and to pay salary incentives accordingly;
- (10) to formulate proposals for any amendment to the Articles of Association;
- (11) to consider and approve the Company's single acquisition or disposal of asset, investment, loan (unless otherwise provided in the Articles) or connected transaction (as defined in the Listing Rules) with an amount exceeding 5% but less than 10% of the latest net assets of the Company and not less than RMB5 million;

- (12) to consider and approve the Company's external guarantee (unless otherwise provided in the Articles of Association) with an amount not more than 10% of the latest net assets of the Company;
- (13) to formulate the basic management systems of the Company, including but not limited to company salary management, compliance management, comprehensive risk management, financial guarantee and fund lending, financial management and other basic management systems;
- (14) to determine other material matters and administrative matters, and to execute other significant agreements, except for the matters to be resolved at the shareholders' general meeting in accordance with the Company Law and the Articles of Association;
- (15) to exercise other functions or powers conferred by the shareholders' general meeting and the Articles of Association;
- (16) to propose the appointment or removal of accounting firm as the auditor of the Company to the shareholders' general meeting;
- (17) to manage the matters in relation to the information disclosure of the Company;
- (18) to consider any significant matters related to compliance management, internal control and risk prevention;
- (19) to take ultimate responsibility for the effectiveness of the Company's comprehensive risk management system; to be responsible for promoting the construction of risk culture; to review and approve risk appetite and important risk limits; to review regular risk assessment reports; to review and approve solutions to major risks; to oversee the implementation of risk management policies;
- (20) to review the asset and liability allocation plans;
- (21) to review financial guarantees and fund lending matters;
- (22) to review the Company's remuneration implementation reports;
- (23) to consider and approve other matters for which the Board should be responsible.

Corporate Governance Report

Composition of the Board

The Board currently consists of 12 Directors, including two executive Directors, five non-executive Directors, one employee Director and four independent non-executive Directors. Details are as follows:

Executive Directors:

Mr. Mao Yuxing (Chairman)

Ms. Zhou Jianli

Non-executive Directors:

Mr. Zhang Xinjun

Ms. Zheng Huan

Mr. Lu Tong

Mr. Wu Shukun

Mr. Zhang Shaohua

Employee Director:

Ms. Wu Jian

Independent Non-executive Directors:

Mr. Yao Feng

Mr. Zeng Qingsheng

Mr. Wu Yat Wai

Mr. Yan Lixin

Biographical details of the Directors are set out in the section headed “Directors and Senior Management” in this report.

Except as disclosed in the biographies of Directors set out in the section headed “Directors and Senior Management” in this report, no Director has any personal relationship (including financial, business, family or other significant/related relationships) with other Directors or chief executives.

Meetings of the Board

The Board shall hold at least four meetings every year, which shall be convened by the chairman. Notices of regular meetings of the Board shall be given to all Directors at least 14 days before the meetings to ensure that all Directors are given an opportunity to attend the regular meetings and discuss matters on the agenda.

During the Reporting Period, the Company held 12 meetings of the Board, at which a total of 40 resolutions regarding matters such as the appointment of senior management of the Company, review of reports, profit distribution, general mandate for fund management, and amendments to internal policies and systems were considered and approved. Attendance of the Board meetings by Directors is set out as follows:

Directors	Number of meetings attended/ should have attended
Mr. Mao Yuxing ^{Note 1}	4/4
Mr. Zhang Xinjun	12/12
Mr. Zhao Jianxiang ^{Note 1}	6/6
Ms. Ha Erman ^{Note 2}	8/8
Ms. Zheng Huan ^{Note 2}	4/4
Mr. Lu Tong	12/12
Ms. Zhou Jianli	12/12
Mr. Wu Shukun	12/12
Mr. Zhang Shaohua	12/12
Ms. Wu Jian ^{Note 3}	3/3
Mr. Yao Feng	12/12
Mr. Zeng Qingsheng	12/12
Mr. Wu Yat Wai	12/12
Mr. Yan Lixin	12/12

Note 1: On August 20, 2025, Mr. Zhao Jianxiang resigned as an executive Director of the Company. On September 26, 2025, the shareholders' general meeting of the Company appointed Mr. Mao Yuxing as an executive Director of the Company.

Note 2: On September 26, 2025, Ms. Ha Erman ceased to be a non-executive Director of the Company. On the same day, the shareholders' general meeting appointed Ms. Zheng Huan as a non-executive Director of the Company.

Note 3: On October 10, 2025, the Company convened an employee representative meeting, at which Ms. Wu Jian was elected as an employee Director of the Company.

Chairman of the Board and General Manager

According to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and general manager should be separated and performed by different persons.

Mr. Mao Yuxing is the chairman of the Board of the Company. He is responsible for leading the Board, ensuring that the Board operates effectively and performs its duties, and serves the best interests of the Company. Responsibilities of the chairman of the Board are as follows:

- (1) to preside over shareholders' general meetings and convene and preside over meetings of the Board;
- (2) to supervise the implementation of the resolutions passed at meetings of the Board;
- (3) to exercise other functions and powers conferred by the Board.

Ms. Zhou Jianli is the general manager of the Company and exercises the following functions and powers:

- (1) to be in charge of the operation and management of the Company and to organise the implementation of the resolutions of the Board;
- (2) to organise the implementation of the annual business plans and investment plans of the Company;
- (3) to formulate plans for the establishment of the internal management structure of the Company;
- (4) to formulate plans for the establishment of the branches of the Company;
- (5) to formulate the basic management system of the Company;
- (6) to formulate specific rules and regulations of the Company;
- (7) to propose the appointment or removal of deputy general managers, chief financial officer, chief risk officer (risk control officer), compliance director, assistants to general manager and other senior management;
- (8) to appoint or remove the management personnel other than those required to be appointed or removed by the Board;
- (9) to exercise other functions and powers conferred by the Articles of Association and the Board.

Duties, Responsibilities and Contributions of the Board and the Senior Management

The Board reserves the right to make final decisions on all material matters concerning the Company's policies, strategies and budgets, internal control and risk management, corporate governance, major transactions (especially transactions that may involve conflicts of interest), financial data, appointment of Directors and other important operational matters. Directors may seek independent professional advice when performing their duties at the expense of the Company. They are also encouraged to make independent enquiries of the senior management of the Company. Responsibilities to execute Board decisions, direct and coordinate the daily operations and management of the Company are delegated to the management.

The Board and its professional committees operate effectively, and are responsible for formulating strategies and supervising their implementation, monitoring the operation and financial performance of the Group to ensure that the Company has a sound internal control and risk management system in place. All Directors (including non-executive Directors, employee Directors and independent non-executive Directors) have contributed their wide range of business experience, knowledge and expertise to the efficient operation of the Board. Independent non-executive Directors play a balancing role in the Board, and enable the Board to make effective independent judgements in corporate actions and operations. All Directors must ensure that they perform their duties in good faith, comply with applicable laws and regulations, and act in the interests of the Company and its Shareholders at all times.

The day-to-day management, administration and operations of the Group are delegated to the senior management. The Board regularly reviews the functions and responsibilities it has delegated to the management.

The Company has made appropriate insurance arrangements for the liabilities of its Directors and senior management in respect of potential legal actions against them arising from corporate activities.

Independent non-executive Directors

During the Reporting Period, the Board had been in compliance with the Listing Rules regarding the appointment of at least three independent non-executive Directors, and that the appointed independent non-executive Directors shall account for at least one-third of the members of the Board. At least one of the independent non-executive Directors shall have appropriate professional qualifications or accounting or related financial management expertise as required. The qualifications of the four independent non-executive Directors of the Company fully comply with the requirements of Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules.

The Company has received confirmation letters from each independent non-executive Director regarding their independence in accordance with Rule 3.13 of the Listing Rules. The Company considers that all the independent non-executive Directors were independent persons during the Reporting Period under Rule 3.13 of the Listing Rules.

The Company recognises the importance of Board independence for corporate governance and the effectiveness of the Board. To ensure that the Board maintains sufficient independence, the Company has implemented the following mechanisms:

- (1) When assessing whether potential candidates are qualified to serve as independent Directors of the Company, the Remuneration Appraisal and Nomination Committee and the Board will consider whether the candidate can devote sufficient time to fulfil their duties as an independent Director of the Company, as well as the candidate's background and qualifications, to evaluate whether these candidates can bring an independent perspective to the Board.
- (2) When considering whether to nominate an independent Director for reappointment, the Remuneration Appraisal and Nomination Committee and the Board will assess the independent Director's contributions to the Board during their tenure, particularly whether the independent Director has been able to provide an independent perspective to the Board. The Company will ensure that, in addition to independent Directors, there are channels through which independent opinions can be obtained, including but not limited to the ability of Directors to access external independent professional advice to assist them in discharging their duties.

During the Reporting Period, the Board reviewed the implementation of the aforesaid mechanism and considered it to be effective during the Reporting Period.

During the Reporting Period, the Company held one special meeting between the Chairman and all independent non-executive Directors.

Corporate Governance Report

Non-executive Directors

The current non-executive Directors of the Company are Mr. Zhang Xinjun, Ms. Zheng Huan, Mr. Lu Tong, Mr. Wu Shukun and Mr. Zhang Shaohua, and the term of office is from the date of appointment to the date of expiry of the third session of the Board.

Continuous Professional Development of Directors

All newly appointed Directors are provided with necessary training and information to ensure that they have an appropriate understanding of the operation and businesses of the Company and their responsibilities under relevant regulations, laws, rules and provisions.

The Company provides them with updated information on the latest developments and changes in the Hong Kong Listing Rules and other relevant legal and regulatory requirements from time to time. Directors are also provided with updated information on the performance, position and prospects of the Company on a regular basis, enabling the Board as a whole and each Director to perform their duties.

Directors shall participate in appropriate continuous professional development activities to develop and update their knowledge and skills to ensure that their contributions to the Board are informed and relevant. The Company encourages all Directors to attend relevant training courses at the expense of the Company.

During the Reporting Period, all Directors participated in appropriate continuous professional development activities by way of attending relevant trainings, and reading regulation updates and internal research materials and circulars provided by the Company. Records of Directors receiving trainings and reading materials regarding duties and responsibilities of Directors during the Reporting Period are as follows:

Directors	Type of training received by Director ^{Note}
Mr. Mao Yuxing	A
Mr. Zhang Xinjun	A
Mr. Zhao Jianxiang	A
Ms. Ha Erman	A
Ms. Zheng Huan	A
Mr. Lu Tong	A
Ms. Zhou Jianli	A
Mr. Wu Shukun	A
Mr. Zhang Shaohua	A
Ms. Wu Jian	A
Mr. Yao Feng	A
Mr. Zeng Qingsheng	A
Mr. Wu Yat Wai	A
Mr. Yan Lixin	A

Note: Type of training

A: Attending training courses and reading materials regarding duties and responsibilities of Directors, including but not limited to presentations, seminars, conferences and lectures.

5. PROFESSIONAL COMMITTEES OF THE BOARD

During the Reporting Period, the structure of the professional committees of the Board of the Company was adjusted. From January 1, 2025 to September 25, 2025, the professional committees of the Board comprised the Audit Committee, the Remuneration and Evaluation Committee, the Nomination Committee, the Risk Management Committee and the Environmental, Social and Governance Committee. With effect from September 26, 2025, the Remuneration and Evaluation Committee and the Nomination Committee were merged into the Remuneration Appraisal and Nomination Committee (the original Remuneration and Evaluation Committee and the Nomination Committee were abolished on the same day). In addition, the Board of Supervisors of the Company was abolished on September 26, 2025, and its relevant powers and responsibilities were assumed by the Audit Committee of the Board.

Currently, the Board has established four professional committees, namely the Audit Committee, the Risk Management Committee, the Remuneration Appraisal and Nomination Committee and the Environmental, Social and Governance Committee, to oversee specific aspects of the Company's affairs. All professional committees of the Board have been established in accordance with written terms of reference. The terms of reference of the professional committees of the Board are published on the websites of the Company and the Hong Kong Stock Exchange.

The list of members of each professional committee of the Board is set out in the section headed "Corporate Information" in this report.

Audit Committee

The Audit Committee consists of five members, namely three independent non-executive Directors, Mr. Zeng Qingsheng (Chairman), Mr. Wu Yat Wai and Mr. Yan Lixin, one non-executive Director, Mr. Zhang Shaohua, and one employee Director, Ms. Wu Jian.

The main responsibilities of the Audit Committee are as follows:

- (1) to supervise and evaluate the external audit work;
- (2) to supervise and evaluate the internal audit work;
- (3) to review the Company's financial information and the disclosure thereof;
- (4) to supervise and evaluate the Company's internal control;
- (5) to exercise the powers of the Board of Supervisors as stipulated in the Company Law;
- (6) other matters as stipulated under the relevant rules, the Articles of Association and as delegated by the Board of Directors.

Corporate Governance Report

The written terms of reference of the Audit Committee are available on the websites of the Hong Kong Stock Exchange and the Company.

During the Reporting Period, the Audit Committee held three meetings to review and consider matters such as financial results and reports, profit distribution and amendments to policies and systems.

The annual results of the Company for the year ended December 31, 2025 have been reviewed by the Audit Committee.

The attendance of each member of the Audit Committee at the committee meetings is set out in the following table:

Directors	Number of meetings attended/ should have attended
Mr. Zeng Qingsheng (Chairman)	3/3
Mr. Zhang Shaohua	3/3
Ms. Wu Jian ^{Note 1}	1/1
Mr. Wu Yat Wai ^{Note 2}	1/1
Mr. Yan Lixin	3/3

Note 1: On October 10, 2025, the Company convened an employee representative meeting, at which Ms. Wu Jian was elected as an employee Director of the Company; Ms. Wu Jian immediately took up the position of a member of the Audit Committee.

Note 2: On September 26, 2025, the Company convened a Board meeting to consider and approve the adjustment to the composition of the Audit Committee of the Board. Mr. Wu Yat Wai was appointed as a member of the Audit Committee of the third session of the Board. At the same time, it was resolved that upon the election of an employee Director by the employee representative meeting of the Company, such employee Director would serve as a member of the Audit Committee.

Remuneration Appraisal and Nomination Committee

The Remuneration Appraisal and Nomination Committee consists of five members, namely three independent non-executive Directors, Mr. Yan Lixin (Chairman), Mr. Yao Feng and Mr. Wu Yat Wai; one executive Director, Mr. Mao Yuxing; and one non-executive Director, Ms. Zheng Huan.

The main responsibilities of the Remuneration Appraisal and Nomination Committee are as follows:

- (1) to review, at least annually, the structure, size and composition of the Board (including skills, knowledge and experience), to assist the Board in preparing a Board skills matrix, and to make recommendations on changes to the Board to align with the Company's strategy;
- (2) to formulate the selection criteria and procedures for the appointment of Directors and senior management, to identify candidates with suitable qualifications for directorship and senior management positions, and to review and make recommendations on the qualifications of such candidates;
- (3) to review and provide opinions on the appraisal and remuneration management systems for Directors and senior management, to formulate remuneration policies through formal and transparent procedures, and to make recommendations to the Board;

- (4) to assess and review the independence of independent non-executive Directors;
- (5) to make recommendations to the Board on the appointment or re-appointment of Directors and on succession planning for Directors (in particular, the chairmen of the respective professional committees of the Board and the general manager of the Company);
- (6) to support the Company in conducting regular evaluations of the Board's performance;
- (7) to formulate appraisal criteria for Directors and senior management, to conduct appraisals of Directors and senior management, and to make recommendations;
- (8) to make recommendations on the remuneration of senior management with reference to the corporate business policies and objectives as determined by the Board;
- (9) when making recommendations on the remuneration of Directors and senior management, to take into consideration the remuneration paid by comparable companies, the time commitment and responsibilities involved, and the employment conditions of other positions within the Group;
- (10) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management, including but not limited to non-monetary benefits, pension entitlements and compensation amounts (including compensation payable for loss or termination of office or appointment); when making remuneration recommendations for other executive Directors, the Committee shall consult the chairman of the Board or the general manager of the Company;
- (11) to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (12) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (13) to ensure that no Director or any of his/her associates is involved in determining his/her own remuneration;
- (14) to provide opinions on Directors' service contracts that require shareholders' approval, to advise on whether such contracts are in the interests of the Company and shareholders as a whole, to inform shareholders whether the relevant terms are fair and reasonable, and to provide recommendations on how shareholders (other than those who are Directors with a material interest in the contract and their associates) should vote;
- (15) to regularly evaluate the Company's remuneration policy and its implementation, and to make recommendations to the Board;

Corporate Governance Report

- (16) to review and/or approve matters relating to share schemes as described in Chapter 17 of the Listing Rules;
- (17) other duties as stipulated under the relevant rules, the Articles of Association, and as delegated by the Board.

The written terms of reference of the Remuneration Appraisal and Nomination Committee are available on the websites of the Hong Kong Stock Exchange and the Company.

Board Diversity Policy

The Company understands and firmly believes that the diversity of the Board is of great benefit to the quality of performance of the Company. The Company considers enhancing diversity at the board level as a key element in supporting its achievement of strategic goals and sustainable development. During the Reporting Period, the Board has formulated a board diversity policy to ensure that the Board achieves an appropriate balance in terms of skills, experience and diversity of perspectives required for enhancing its effectiveness.

In designing the composition of the Board, diversity has been considered from a number of perspectives, including but not limited to gender, age, race, ethnicity, cultural and educational background, professional experience, skills, knowledge and/or length of service, and any other factors that the Board may consider relevant and applicable from time to time. The Company will also take into account its own business model and specific needs from time to time, as well as the balanced composition between executive Directors and non-executive Directors.

As at December 31, 2025, the Board had three female members, representing 25% of the Board members.

The Remuneration Appraisal and Nomination Committee of the Board will discuss and establish measurable objectives (such as numerical targets and timelines) and measures to develop a pipeline of potential director successors to achieve gender diversity on an annual basis, so as to implement Board diversity, and recommend that the Board act in accordance with such objectives. The Company will ensure that there is at least one Director of a different gender serving on the Remuneration Appraisal and Nomination Committee in accordance with the relevant requirements of the Corporate Governance Code. During the Reporting Period, the Remuneration Appraisal and Nomination Committee included female members.

Having taken into account various aspects and factors including the gender, age, cultural and educational background, professional qualifications, skills, knowledge, and industry and regional experience of each director, the Remuneration Appraisal and Nomination Committee is of the view that the third session of the Board comprises members with accounting or financial expertise, recognised professional qualifications, financial investment experience, or experience in the industry relevant to the Company, and is in compliance with the diversity policy.

As at December 31, 2025, the Group had a total of 1,415 full-time employees (excluding dispatched workers), including 882 male employees and 533 female employees, representing approximately 62.3% and 37.7% of the total workforce, respectively. The Group fully respects the individual differences of its talent and is committed to providing equal opportunities for employees. The Group expects to maintain a reasonable level of gender diversity at the employee level.

Nomination Policy for Directors

The Company has adopted a nomination policy for Directors. Such policy has been included in the terms of reference of the Remuneration Appraisal and Nomination Committee. The policy sets out the objectives, selection criteria and nomination procedures for selecting or recommending appointment or re-appointment of Director candidates.

The procedures for the nomination and election of Directors are as follows:

- (1) When screening Director candidates or upon receipt of nomination proposals and relevant information, the Committee shall assess whether the candidates meet the qualification requirements for directorship of the Company in accordance with the criteria set out above;
- (2) Where one or more suitable candidates are identified, the Committee shall recommend a ranking order and make nomination recommendations to the Board;
- (3) The Board shall make the final decision on Director nomination recommendations and refer the matter to the Shareholders' general meeting for election. Relevant information of the candidates as required by the listing rules of the stock exchange where the Company's securities are listed and/or relevant applicable laws and rules shall be set out in the circular to shareholders and/or explanatory statement accompanying the notice of the shareholders' general meeting.

The Remuneration Appraisal and Nomination Committee should give due consideration to the Hong Kong Listing Rules, the Articles of Association and applicable laws and regulations when identifying individuals suitably qualified to become Board members. In addition, the Remuneration Appraisal and Nomination Committee considers factors including their occupation, educational background, professional title, detailed work experience and all concurrent positions of the candidates, and whether the candidates have appropriate skills, experience and diversity of perspectives, the ability to devote sufficient time and effort to the affairs of the Company and contribute to the diversity of the Board when evaluating the candidates.

On September 26, 2025, the Board of the Company considered and approved the establishment of the Remuneration Appraisal and Nomination Committee of the Board through merger. The former Remuneration and Evaluation Committee of the Board and the Nomination Committee of the Board were abolished on the same day.

During the Reporting Period, the Remuneration Appraisal and Nomination Committee held two meetings to consider matters such as the nomination of senior management of the Company and annual performance targets.

Corporate Governance Report

The attendance of each member of the Remuneration Appraisal and Nomination Committee at the committee meetings is set out in the following table:

Directors	Number of meetings attended/ should have attended
Mr. Yan Lixin (Chairman)	2/2
Mr. Mao Yuxing	2/2
Ms. Zheng Huan	2/2
Mr. Yao Feng	2/2
Mr. Wu Yat Wai	2/2

Remuneration and Evaluation Committee

From January 1, 2025 to September 25, 2025, the Remuneration and Evaluation Committee convened three meetings to consider matters such as the annual performance appraisal.

Directors	Number of meetings attended/ should have attended
Mr. Zeng Qingsheng (Chairman)	3/3
Mr. Wu Shukun	3/3
Mr. Yao Feng	3/3

Nomination Committee

From January 1, 2025 to September 25, 2025, the Nomination Committee convened three meetings to consider matters such as the nomination of the compliance director, senior management, the chief audit officer, executive Directors and non-executive Directors of the Company.

Directors	Number of meetings attended/ should have attended
Mr. Yan Lixin (Chairman)	3/3
Mr. Zhang Xinjun	3/3
Mr. Wu Yat Wai	3/3

Risk Management Committee

The Risk Management Committee consists of five members, namely three independent non-executive Directors, Mr. Yan Lixin (Chairman), Mr. Yao Feng and Mr. Zeng Qingsheng, one executive Director, Ms. Zhou Jianli, and one non-executive Director, Mr. Zhang Shaohua.

The main responsibilities of the Risk Management Committee are as follows:

- (1) supervising and providing guidance for the establishment and improvement of the risk management and internal control systems of the Company; reviewing and monitoring the policies and provisions of the Company on the compliance with laws and regulations;
- (2) reviewing plans, annual work plans and annual reports in relation to the risk management and internal control systems of the Company;
- (3) reviewing the organisational structure and allocation of duties in relation to the risk management and internal control systems of the Company;
- (4) reviewing policies and work processes in relation to the risk management and internal control systems of the Company;
- (5) reviewing the risk management strategies and action plans for major risks of the Company;
- (6) conducting research on the management of risks arising from major investing and financing activities and other major operational and managerial matters, and providing recommendations to the Board;
- (7) discussing the risk management systems with the senior management to ensure that the senior management has discharged its duty to establish and implement effective risk management systems; ensuring adequate resources, staff qualifications and experience, training programmes for employees and relevant budget in respect of the risk management functions of the Company;
- (8) conducting research on major emergency risk events and results of important investigations of other matters relating to risk management and internal control, as well as the responses from the management;
- (9) reviewing the corporate governance policies and practices of the Company, and making recommendations to the Board;
- (10) reviewing and monitoring the training and continuous professional development of the Directors and senior management;
- (11) formulating, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to the employees and Directors;
- (12) reviewing the Company's compliance with the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules and the disclosure in the Corporate Governance Report;
- (13) other matters as authorised by the Board.

The written terms of reference of the Risk Management Committee are available on the websites of the Hong Kong Stock Exchange and the Company.

During the Reporting Period, the Risk Management Committee convened two meetings to consider matters such as the annual compliance report, the annual risk assessment report and the formulation of the Company's risk appetite management measures.

Corporate Governance Report

The attendance of each member of the Risk Management Committee at the committee meetings is set out in the following table:

Directors	Number of meetings attended/ should have attended
Mr. Yan Lixin (Chairman)	2/2
Mr. Zhao Jianxiang ^{Note 1}	1/1
Ms. Zhou Jianli ^{Note 1}	1/1
Mr. Zhang Shaohua	2/2
Mr. Yao Feng	2/2
Mr. Zeng Qingsheng ^{Note 2}	1/1

Note 1: On August 20, 2025, Mr. Zhao Jianxiang ceased to be an executive Director of the Company and a member of the Risk Management Committee. On the same day, Ms. Zhou Jianli assumed the duties of a member of the Risk Management Committee. She was appointed as a member of the Risk Management Committee on September 26, 2025.

Note 2: On September 26, 2025, the Company convened a Board meeting to consider and approve the adjustment to the composition of the Risk Management Committee of the Board. Mr. Zeng Qingsheng was appointed as a member of the Risk Management Committee of the third session of the Board.

Environmental, Social and Governance Committee

The Environmental, Social and Governance Committee consists of five members, namely two executive Directors, Mr. Mao Yuxing (Chairman) and Ms. Zhou Jianli, and three non-executive Directors, Ms. Zheng Huan, Mr. Lu Tong and Mr. Wu Shukun.

The main responsibilities of the Environmental, Social and Governance Committee are as follows:

- (1) guiding and reviewing the general ESG vision, targets and strategy of the Company, and the identification and prioritisation of ESG issues of the Company, supervising the formulation of ESG management performance targets of the Company, reviewing the progress towards target achievement and advising on actions to be taken in order to achieve the targets;
- (2) reviewing the annual Environmental, Social and Governance Report and other ESG related information disclosure of the Company;
- (3) identifying and assessing ESG related risks and opportunities;
- (4) inspecting and supervising the implementation of the above matters;
- (5) other matters as authorised by the Board.

The written terms of reference of the Environmental, Social and Governance Committee are available on the websites of the Hong Kong Stock Exchange and the Company.

The Environmental, Social and Governance Committee held one meeting during the Reporting Period to review the annual Environmental, Social and Governance Report.

The attendance of each member of the Environmental, Social and Governance Committee at the committee meeting is set out in the following table:

Directors	Number of meetings attended/ should have attended
Mr. Mao Yuxing (Chairman) ^{Note 1}	0/0
Mr. Zhao Jianxiang (Chairman) ^{Note 1}	1/1
Ms. Ha Erman ^{Note 2}	1/1
Ms. Zheng Huan ^{Note 2}	0/0
Mr. Lu Tong ^{Note 3}	0/0
Ms. Zhou Jianli ^{Note 1}	1/1
Mr. Wu Shukun ^{Note 4}	0/0

Note 1: On August 20, 2025, Mr. Zhao Jianxiang ceased to be an executive Director of the Company and the Chairman of the Environmental, Social and Governance Committee. On the same day, Ms. Zhou Jianli assumed the duties of the Chairman of the Environmental, Social and Governance Committee. On September 26, 2025, the Company convened a Board meeting to consider and approve the adjustment to the composition of the Environmental, Social and Governance Committee of the Board. Mr. Mao Yuxing was appointed as the Chairman of the Environmental, Social and Governance Committee of the third session of the Board, and Ms. Zhou Jianli ceased to perform the duties of the Chairman of the Environmental, Social and Governance Committee.

Note 2: On September 26, 2025, Ms. Ha Erman ceased to be a non-executive Director of the Company and a member of the Environmental, Social and Governance Committee. On the same day, Ms. Zheng Huan was appointed as a member of the Environmental, Social and Governance Committee of the third session of the Board.

Note 3: On September 26, 2025, the Company convened a Board meeting to consider and approve the adjustment to the composition of the Environmental, Social and Governance Committee of the Board, and Mr. Lu Tong was appointed as a member of the Environmental, Social and Governance Committee of the third session of the Board.

Note 4: On September 26, 2025, the Company convened a Board meeting to consider and approve the adjustment to the composition of the Environmental, Social and Governance Committee of the Board, and Mr. Wu Shukun was appointed as a member of the Environmental, Social and Governance Committee of the third session of the Board.

6. RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for maintaining risk management and internal control systems, and for reviewing the effectiveness of such systems. Such systems are designed to manage rather than eliminate the risk of failing to achieve business objectives, and can only provide reasonable rather than absolute assurance that there will be no material misstatement or loss.

The Board reviews the effectiveness of the risk management and internal control procedures of the Company and its subsidiaries at least once a year. The review covers all major control issues, including financial, operational and compliance control and risk management issues. The annual review of the Board should, in particular, ensure the adequacy of resources, staff qualifications and experience in respect of the accounting, internal audit and financial reporting functions, as well as the training programmes and relevant budget of the Company.

Sound and Comprehensive Risk Management and Internal Control Systems

Adhering to a prudent risk management philosophy, the Group has established a comprehensive risk management system and embedded various risk management measures into all aspects of its business operations. The Group has continuously improved its overall risk management level and enhanced its core competitiveness through the continuous optimisation of its comprehensive risk management system. The objective of risk management of the Group is to manage risks within an acceptable level and maximise risk-adjusted returns.

The main duties of the Board include reviewing and approving our major risk management strategies and policies, monitoring the implementation of risk management rules and procedures, and assessing our overall risk exposure. Senior management is responsible for implementing the decisions of the Board and effectively performing responsibilities related to risk management and internal control. All branches and departments are responsible for participating in the formulation of business rules, operating procedures and standards relating to their own responsibilities, and strictly enforcing the risk management and internal control systems.

The Company has established the Risk Management Committee, the Audit Committee and the internal control departments including the risk management department, the audit department, the compliance department and the disciplinary inspection office. The Risk Management Committee is an advisory organisation for the Board on matters related to risk management and internal control systems, and is mainly responsible for the establishment and improvement of risk management and internal control systems. The Risk Management Committee is also responsible for the review, approval and management of relevant policies, measures and procedures, and the evaluation of overall implementation and effectiveness. The Audit Committee is mainly responsible for overseeing internal audit, conducting risk analysis, and evaluating and improving the internal control system.

The internal control team of the Group plays an important role in monitoring the internal governance. The main duties of the internal control team include management and review of financial position and internal control as well as audit of all the subsidiaries.

Independent and Sound Internal Audit

The Group adopts a risk-oriented and value-centred approach for its internal audit. It further enhances the requirements for centralised audit management, scientifically coordinates audit coverage, performs independent and objective audit oversight functions, enhances audit evaluation and consulting service capabilities, supervises the management of major risk types, and provides services and support to the Board and the senior management. The Group has developed internal audit management measures and related audit policies. The scope of audit covers the internal control and risk management processes of various business departments, functional departments, branches, subsidiaries and all stages of its business development, with particular focus on key businesses, key processes and key positions.

Continuous Optimisation of Risk Management and Internal Control Systems

The Group continues to improve its governance structure, strengthen its comprehensive risk management system and enhance its internal control system. Continuous efforts have been made to standardise its internal authorisation system, strengthen the management of connected transactions and further promote the effective implementation of measures on internal control. These initiatives have allowed the Group to further strengthen the implementation of internal control, effectively control major risks and carry out continuous improvement in its management levels and compliance governance so that its internal control levels and risk prevention capabilities can align with the pace of the Company's development, thereby effectively safeguarding the achievement of its strategic goals.

During the Reporting Period, taking into account external regulatory requirements and the implementation of internal systems, the Group revised and improved relevant risk management and internal control systems such as the Measures for the Management of Integrity in Practice, Measures for the Management of Due Diligence, Measures for the Management of Credit Approval and Authorisation, and Measures for the Management of Fund Plans; formulated and issued the Measures for the Management of Risk Appetite to further optimise the core risk control indicator system and management mechanism; and formulated and issued the Measures for the Management of Information Technology Governance and a series of supporting information system management regulations, promoting and standardising the innovative development of information technology and digital and intelligent transformation, and ensuring the safe, compliant, and efficient operation of information systems.

Inside Information

The Company is aware of its obligations under the Securities and Futures Ordinance and the Hong Kong Listing Rules and the overriding principle that inside information should be announced immediately after such information comes to its attention and/or when relevant decisions are made unless it falls within "safe harbour" provisions as defined under the Securities and Futures Ordinance. In addition, the Company has formulated the Information Disclosure Management System (《信息披露管理制度》) to clarify the division of responsibilities for information disclosure management and the procedures for information disclosure and dissemination. The Company has also carried out real-time monitoring of possible inside information and arranged for intermediaries to determine whether such information is inside information and whether disclosure is practicable. If the disclosure standards are met, disclosure will be arranged as early as possible. Before the disclosure, the scope of those with knowledge shall be strictly controlled and the fluctuation of the stock price shall be monitored until the completion of the disclosure of the inside information. If the disclosure standards are not met, the Company will also maintain strict confidentiality.

With the support of the Audit Committee, the Risk Management Committee and management reports, the Board reviewed the risk management and internal control systems, including financial, operational and compliance controls, for the year ended December 31, 2025. No significant areas of concern were identified during the review, and the Board considered that the relevant systems were effective and adequate.

7. CORPORATE GOVERNANCE

The Risk Management Committee is responsible for performing corporate governance duties, including:

- (1) reviewing the corporate governance policies and practices of the Company, and making recommendations to the Board;
- (2) reviewing and monitoring the training and continuous professional development of the Directors and senior management;
- (3) formulating, reviewing and monitoring the code of conduct and compliance manual applicable to the employees and Directors;
- (4) reviewing the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

The Board has regularly reviewed the shareholders' communication policy to ensure its effectiveness. It also reviews the corporate governance policies of the Company and their implementation, the training and continuous professional development of Directors and senior management, policies and their implementation regarding compliance with laws and regulatory requirements, compliance with the Model Code and written employee guidelines, compliance with the Corporate Governance Code and disclosures made in this corporate governance report.

8. JOINT COMPANY SECRETARIES

Mr. Fu Da is a joint company secretary of the Company and is responsible for advising the Board on corporate governance matters and ensuring compliance with the policies and procedures of the Board and applicable laws, rules and regulations.

In order to maintain satisfactory corporate governance and ensure compliance with the Hong Kong Listing Rules and applicable laws of Hong Kong, the Company has also engaged Mr. Lam Kang Chi of SWCS Corporate Services Group (Hong Kong) Limited, a corporate secretary service provider, as the other joint company secretary of the Company to assist Mr. Fu Da in fulfilling his duties as the company secretary. His main contact at the Company is Mr. Mao Yuxing, the chairman of the Board and an executive Director of the Company.

During the Reporting Period, Mr. Fu Da and Mr. Lam Kang Chi each undertook not less than 15 hours of relevant professional training in accordance with Rule 3.29 of the Hong Kong Listing Rules.

9. RESPONSIBILITIES OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Directors confirm that they are responsible for the preparation of the financial statements of the Company for the year ended December 31, 2025.

The Board is responsible for the preparation of balanced, clear, understandable and comprehensible annual and interim reports, as well as the release of inside information and other information required to be disclosed under the Listing Rules and other statutory and regulatory requirements.

The Directors are not aware of any significant uncertainties relating to events or conditions that may cast significant doubt upon the ability of the Company to continue as a going concern. If the Directors are aware of any significant uncertainties or circumstances that may seriously affect the ability of the Company to continue as a going concern, they should clearly set out the uncertainties with detailed discussion in this corporate governance report.

The management has provided the Board with the necessary explanations and information to enable the Board to make informed assessment of the financial statements of the Company which had been submitted to the Board for approval.

10. REMUNERATION OF AUDITORS

Deloitte Touche Tohmatsu Certified Public Accountants LLP served as the auditor for the Company's financial statements for 2025 prepared under the China Accounting Standards for Business Enterprises, and Deloitte Touche Tohmatsu served as the auditor for the Company's financial statements for 2025 prepared under the IFRS Accounting Standards. The statement made by the auditors on their reporting responsibilities in respect of the consolidated financial statements of the Group is set out in the Independent Auditors' Report on page 133 of this annual report.

The approximate remuneration for the audit and non-audit services provided by Deloitte Touche Tohmatsu and its member firms to the Group for the year ended December 31, 2025 is set out below:

Type of services	Amount RMB in thousands
Audit services	3,525
Non-audit services	937
Total	4,462

For the year ended December 31, 2025, the non-audit services provided by the auditors primarily comprised bond issuance services and others, of which the fees for bond issuance services amounted to RMB909 thousand.

11. RIGHTS OF SHAREHOLDERS

Procedures for Convening Extraordinary General Meetings

Shareholders who request the convening of extraordinary general meetings shall follow the procedures listed below:

- (1) Shareholders individually or jointly holding not less than ten percent (10%) of shares of the Company are entitled to request the board of directors in writing to convene an extraordinary general meeting.
- (2) The board of directors shall, according to the laws, administrative regulations and the Articles of Association, give a written reply on whether to convene the extraordinary general meeting within ten (10) days after receipt of the request.
- (3) If the board of directors agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five (5) days after the resolution is made by the board of directors. If there are any changes to the original request in the notice, they should be agreed upon by the relevant shareholders.
- (4) If the board of directors objects to convene the extraordinary general meeting or fails to respond within ten (10) days upon the receipt of the request, shareholders individually or jointly holding not less than ten percent (10%) of shares of the Company may propose to the audit committee to convene an extraordinary general meeting and such request shall be proposed to the audit committee in written form.
- (5) If the audit committee agrees to convene the extraordinary general meeting, it shall issue a notice of such meeting within five (5) days upon the receipt of the request. If there are any changes to the original request in the notice, they should be agreed upon by the relevant shareholders.
- (6) If the audit committee fails to issue a notice of such general meeting within the specified period, it is regarded that the audit committee will not convene and chair a general meeting and shareholders individually or jointly holding not less than ten percent (10%) of shares of the Company for not less than ninety (90) consecutive days may convene and chair a general meeting.
- (7) In the case of a shareholders' general meeting convened by the audit committee or by the shareholders themselves, the expenses necessary for the meeting shall be borne by the Company.

Procedures for Shareholders to Make Enquiries to the Board

Shareholders who wish to make enquiries about the Company with the Board may make enquiries to the headquarters of the Company by phone at 86-21-61355388, fax at 86-21-61355380 or email at utbo-public@utflc.com.

Procedures for Submitting Proposals at Shareholders' General Meetings

In accordance with the Articles of Association, Shareholders individually or jointly holding one percent (1%) or more of the shares of the Company may submit interim proposals in writing to the Board ten (10) days before the convening of the shareholders' general meeting.

The content of such proposals shall fall within the functions and powers of shareholders' general meeting, have a clear topic and specific resolutions, and comply with the laws, administrative regulations, the listing rules of the place where the shares of the Company are listed and the Articles of Association.

For procedures of nomination of candidates for directorship by Shareholders, please refer to the website of the Company.

12. DIVIDEND POLICY

The Company attaches importance to providing reasonable investment returns to investors and maintains continuity and stability in dividend distribution while taking into account the long-term interests of the Company, the overall interests of all Shareholders and the sustainable development of the Company. The Company distributes dividends primarily in cash, stocks, or a combination of cash and stocks.

All proposed dividends shall be subject to a distribution plan formulated by the Board and the approval of the Shareholders. Future decisions to declare or pay any dividends and the amount of dividends shall depend on a number of factors, including:

- (1) the actual and expected financial performance of the Company;
- (2) the expected working capital requirements, capital expenditure requirements and future expansion plans of the Company;
- (3) current and future liquidity of the Company;
- (4) economic conditions and other internal or external factors that may affect the business or financial performance and conditions of the Company;
- (5) any other factors deemed appropriate by the Board.

Dividend distribution of the Company shall also be subject to applicable laws and regulations. The Company cannot assure Shareholders that it will declare or pay such amount or any amount of dividends for each or any year.

13. INVESTOR RELATIONS

The Company believes that effective communication with Shareholders is essential to the enhancement of investor relations and investors' understanding of the business, performance and strategy of the Company. The Company effectively safeguards the rights of all shareholders, especially small and medium-sized investors, and enhances communication and exchanges with shareholders by strengthening information disclosure management and investor relations management, optimising the corporate governance structure and improving the operation system of the Shareholders' General Meeting.

During the Reporting Period, the Company revised the Investor Relations Management Policy. Adhering to the principles of compliance, equality, honesty, and proactiveness, the Company maintained ongoing communication with shareholders through various channels, including shareholders' general meetings, investor receptions, and investor columns. Such communication activities were conducted on a regular or ad hoc basis, with participants encompassing the controlling shareholder, major institutional investors, and minority shareholders. The Company's representatives attending various shareholder communication activities included the Chairman, the General Manager, and the Board Secretary, who provided professional responses regarding financial data, business strategies, risk control, corporate governance, and matters of concern to shareholders. The Company has established a closed-loop management mechanism for the collection, filing, dispatch, and feedback of shareholder opinions. The Office of the Board is responsible for coordinating the follow-up of suggestions and enquiries raised by shareholders, referring them to the relevant functional departments for handling according to their nature, and providing timely feedback on progress. Representative or material shareholder suggestions will be incorporated into the Company's operational improvement and governance enhancement initiatives.

In order to facilitate effective communication, the Company has adopted a Shareholder communication policy which aims to establish and promote connections and communication between the Company and its Shareholders. The Company has also put in place a website (<http://www.utfinancing.com>), with a column on investor relations, where updates on its business operations and development, financial data, corporate governance practices and other information will be made available to the public. In 2025, the Company has reviewed the implementation of the shareholder communication policy and ensured its effectiveness.

14. ARTICLES OF ASSOCIATION

During the Reporting Period, the Company amended the Articles of Association once: the resolution on the amendments to the Articles of Association and the relevant rules of procedure was considered and approved at the 26th meeting of the third session of the Board held on August 29, 2025 and at the second extraordinary general meeting of 2025 held on September 26, 2025. For details of the amendments, please refer to the announcements of the Company dated August 29, 2025, September 9, 2025 and September 26, 2025, respectively.

The Board is pleased to present the Directors' Report and audited consolidated financial statements of the Group for the year ended December 31, 2025.

1. DIRECTORS

Executive Directors:

Mr. Mao Yuxing (Chairman)

Ms. Zhou Jianli

Non-executive Directors:

Mr. Zhang Xinjun

Ms. Zheng Huan

Mr. Lu Tong

Mr. Wu Shukun

Mr. Zhang Shaohua

Employee Director:

Ms. Wu Jian

Independent Non-executive Directors:

Mr. Yao Feng

Mr. Zeng Qingsheng

Mr. Wu Yat Wai

Mr. Yan Lixin

The biographical details of Directors and the senior management of the Company are set out in the section headed “Directors and Senior Management — Biographies of Directors and Senior Management” in this report.

2. BUSINESS REVIEW

Principal Business

The Group is mainly engaged in the provision of comprehensive financial services, including finance lease, operating lease, advisory services, etc., to customers in advanced manufacturing, construction, energy and environmental protection, urban utilities, transportation and logistics, culture and tourism, healthcare and other industries.

Business Review and Analysis of Key Indicators of Financial Performance

For business review and analysis of key indicators of financial performance of the Group for the year ended December 31, 2025, please refer to the sections headed “Financial Summary” and “Management Discussion and Analysis” in this report.

Environmental, Social and Governance Performance

The Group believes that maintaining harmony with shareholders, customers, employees, government and regulators, suppliers and business partners, the environment, and the society is an indispensable pillar for the long-lasting success of the enterprise. We pursue sustainable high-quality development and are committed to becoming a leading financial leasing company in China.

The Group has continued to implement its sustainable development plan, built around the three core pillars of “Long-lasting: sustainable business”, “Harmony: stable operation” and “Trust: responsible citizen”, embedding ESG principles across corporate governance, strategic decision-making and day-to-day operations, and advancing ESG management from plan-led guidance towards systematic execution and measurable outcomes.

On the environmental front, the Group upholds a low-carbon, environmentally responsible philosophy by advancing climate action, expanding its green leasing business, building a green finance ecosystem and supporting the development of a green economy. On the social front, the Group proactively serves the development of industries such as advanced manufacturing, healthcare, and public services, refines its inclusive finance system, and continually explores innovative financing instruments to better support the real economy. It consistently enhances information security management and internal data governance to drive digital and intelligent transformation through innovation; optimises employee rights and welfare systems to support staff growth and development; and continuously undertakes community public welfare and charitable donation activities to demonstrate its responsibility and commitment as a state-owned enterprise. On the governance front, the Group steadily advances the deep integration of Party-building initiatives with business operations, refines its corporate governance system, reinforces compliance and risk management, and strengthens integrity education to prevent corruption, thereby laying a solid governance foundation for high-quality development.

Furthermore, grounded in its responsible practices, the Group regularly tracks the progress of various environmental, social, and governance objectives, and implements targeted measures to drive the effective achievement of these objectives. For more information on the Group's environmental, social and governance matters, please refer to the Group's 2025 Environmental, Social and Governance Report.

Compliance with Laws and Regulations

The Group has been in strict compliance with the Companies Ordinance, the Listing Rules, the SFO, the Company Law and other relevant requirements of laws, regulations, rules and provisions, including those on information disclosure, corporate governance and standardised industry operation.

To the knowledge of the Directors of the Company, the Group had committed no violation of relevant laws and regulations which had a significant impact on the Group for the year ended December 31, 2025.

Major Risks and Risk Management

For major risks and risk management of the Group for the year ended December 31, 2025, please refer to the section headed "Management Discussion and Analysis — Risk Management" in this report.

Future Developments of the Group

For future developments of the Group after the year ended December 31, 2025, please refer to the sections headed "Chairman's Statement", "General Manager's Statement" and "Management Discussion and Analysis" in this report. The above sections form part of the Directors' Report.

Subsequent Events

The Group has not experienced any significant subsequent events since December 31, 2025.

3. SHARE CAPITAL

Details of the share capital of the Company are set out in note 32 to the consolidated financial statements.

Public Float

The Hong Kong Stock Exchange has granted a waiver under Rule 8.08(1)(d) of the Listing Rules to accept a lower public float percentage of the issued share capital of the Company (the "Minimum Public Float") subject to the following requirements:

- (1) the Minimum Public Float shall be 15% of the total issued share capital of the Company;
- (2) the quantity and scale of the issued securities and the extent of their distribution shall enable the market to operate properly with a lower percentage of public float;

- (3) the Company shall confirm sufficiency of public float in the Company's successive annual reports after the Listing;
- (4) the Company shall implement appropriate measures and mechanisms to ensure continual maintenance of the minimum percentage of public float prescribed by the Hong Kong Stock Exchange.

Pursuant to the waiver, the Company has complied with the public float requirement, i.e. the percentage of H Shares held by the public (being 15%) immediately after the completion of global offering. Based on the information publicly available to the Company and to the best knowledge of the Directors, at any time during the Reporting Period and up to the date of this report, not less than 15% of the total issued shares in the share capital of the Company were held by the public as required by the Hong Kong Stock Exchange and in accordance with the Listing Rules.

4. DEBT FINANCING INSTRUMENTS ISSUED

In 2025, to meet business development needs and continuously optimise the debt structure, the Group actively conducted direct financing in domestic and overseas markets. The Group issued medium-term notes of RMB5.0 billion, corporate bonds of RMB2.8 billion, ultra-short-term commercial papers of RMB5.0 billion and short-term commercial papers of RMB2.6 billion in China, with a cumulative amount of RMB15.4 billion; and issued overseas bonds of RMB1.0 billion in Hong Kong, China. The details are set out below:

- (1) In 2025, the Group completed the issuance of five tranches of ultra-short-term commercial papers in China with an aggregate amount of RMB5.0 billion, a term within 270 days, and an annual interest rate ranging from 1.69% to 2.10%.
- (2) In 2025, the Group completed the issuance of three tranches of short-term commercial papers in China with an aggregate amount of RMB2.6 billion, a term of 364 to 365 days, and an interest rate ranging from 1.74% to 2.21%.
- (3) In 2025, the Group completed the issuance of three tranches of corporate bonds in China with an aggregate amount of RMB2.8 billion, a term of five years, and an annual interest rate ranging from 2.09% to 2.23%.
- (4) In 2025, the Group completed the issuance of five tranches of medium-term notes in China with an aggregate amount of RMB5.0 billion, a term of five years, and an annual interest rate ranging from 1.92% to 2.22%.
- (5) In 2025, the Group completed the issuance of one tranche of overseas bonds in Hong Kong, China with an amount of RMB1.0 billion, a term of three years, and an annual interest rate of 3.00%.

Triggering and execution of option clauses during the Reporting Period:

23 Unitrust G3: On September 18, 2025, the Company announced that the coupon rate would be adjusted to 2.06% with effect from October 24, 2025. During the put option registration period, bondholders elected, through the auction trading system or the Integrated Electronic Platform for Fixed Income Securities of the Shanghai Stock Exchange, to continue holding bonds in the amount of RMB40 million and to sell back bonds in the amount of RMB960 million to the Company. The Company resolved to re-sell the bonds so sold back, and completed the resale of the full amount of RMB960 million in accordance with the relevant regulations during the period from October 27, 2025 to November 10, 2025. The exercise of the option clause had no impact on the interests of investors.

5. PROFIT DISTRIBUTION

Interim Dividend

In November 2025, the Company distributed an interim cash dividend to all of its ordinary Shareholders for the six months ended June 30, 2025. Based on the number of Shares of 8,235,300,000 Shares, the interim dividend distributed was RMB0.42 per 10 Shares (tax inclusive) with a total amount of RMB345,882,600.00 (tax inclusive).

Annual Dividend

The Board of Directors of the Company recommends the distribution of a cash dividend to all ordinary Shareholders for the year ended December 31, 2025. Based on the number of Shares of 8,235,300,000 Shares, the annual dividend to be distributed will be RMB0.43 per 10 Shares (tax inclusive) with a total amount of RMB354,117,900.00 (tax inclusive). The cash dividends are denominated and declared in RMB and will be paid to Domestic Shareholders in RMB. H Shareholders are entitled to elect to receive all, but not part, of their dividends in RMB, otherwise their H Share dividends will be paid in Hong Kong dollars. The actual distribution amount in Hong Kong dollars shall be determined with reference to the average mid-point of the exchange rate between RMB and Hong Kong dollars announced by the People's Bank of China during the calendar week immediately preceding the date of the 2025 annual shareholders' general meeting of the Company. The proposed annual dividend is subject to the approval of the Shareholders at the 2025 annual shareholders' general meeting and is expected to be paid no later than Friday, July 24, 2026. Once approved, the Company will pay the 2025 annual dividend to the Shareholders whose names appear on the register of members of the Company on Wednesday, May 20, 2026. The Company will send a dividend currency selection form to H Shareholders in due course for H Shareholders who wish to receive H Share dividends in RMB.

For the purpose of determining the entitlement of Shareholders to receive the 2025 annual dividend, the register of members of the Company will be closed from Friday, May 15, 2026 to Wednesday, May 20, 2026 (both dates inclusive). In order to qualify for receiving the 2025 annual dividend, H Shareholders and Domestic Shareholders should ensure all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, and to the Company's registered office at No. 599 South Zhongshan Road, Huangpu District, Shanghai, the PRC, respectively, before 4:30 p.m. on Thursday, May 14, 2026. The Company expects to pay the 2025 annual dividend no later than Friday, July 24, 2026.

There is no arrangement under which any Shareholder has waived or agreed to waive any dividend.

Taxation

Tax for Holders of H Shares

Pursuant to the Notice of Certain Issues on the Policies of Individual Income Tax by the Ministry of Finance and the State Taxation Administration (Cai Shui Zi [1994] No. 20) (《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》(財稅字[1994]20號)), overseas individuals are for the time being exempt from the individual income tax of the PRC for the dividends

and bonuses from foreign-invested enterprises. As the Company is a foreign-invested enterprise, overseas individual Shareholders who hold the H Shares of the Company and whose names appear in the register of holders of H Shares of the Company at the time of distribution of dividends by the Company shall not be subject to PRC individual income tax. Pursuant to the Notice of the State Administration of Taxation on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to Holders of H Shares Which Are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), a PRC resident enterprise, when distributing dividends for 2008 and for the years afterwards to holders of H Shares who are overseas non-resident enterprises, shall be subject to the enterprise income tax withheld at a uniform rate of 10%.

Mainland Shareholders Investing through Shenzhen-Hong Kong Stock Connect

Pursuant to the Notice on Tax Policies for Shenzhen-Hong Kong Stock Connect Pilot Program (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H share companies shall apply to CSDC for the provision of a register of domestic individual investors from CSDC to the H share companies, based on which the H share companies shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic individual investors from investing in non-H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, CSDC shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. Individual investors who have paid withholding tax overseas may apply for a tax credit with the competent tax authorities of CSDC with a valid tax withholding certificate.

Dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be subject to the individual income tax as mentioned above.

Dividends received by domestic enterprise investors from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be included in their total income and shall be subject to the enterprise income tax. Dividends received by domestic resident enterprises which have been holding the H shares continuously for no less than 12 months shall be exempted from the enterprise income tax according to laws. H share companies listed on the Hong Kong Stock Exchange shall apply to CSDC for the provision of a register of domestic enterprise investors from CSDC to the H share companies, based on which the H share companies will not withhold and pay the income tax on behalf of the domestic enterprise investors in respect of the dividend received and those domestic enterprise investors shall report and pay the relevant tax themselves. When domestic enterprise investors report their enterprise income tax, they may apply for a tax credit for any income tax withheld and paid by non-H share companies listed on the Hong Kong Stock Exchange in respect of the dividends received according to laws.

6. CONNECTED TRANSACTIONS

The Group has established a substantially complete system and a well-structured management framework for connected transactions, and the relevant internal controls are generally effective. The Group strictly complies with the review procedures and disclosure requirements for connected transactions under Chapter 14A of the Listing Rules, the Company Law and other relevant laws and regulatory rules, as well as the Articles of Association, the Connected Transaction Management System (《關連交易管理制度》) of the Company and other internal regulations.

6.1 Non-Exempt Continuing Connected Transactions

During the Reporting Period, the Group entered into certain non-exempt continuing connected transactions with Guotai Haitong Securities and/or its controlled companies. The following table sets forth the details of such connected transactions:

Continuing connected transactions	Connected person(s)	Annual cap for 2025 (RMB in millions)	Actual transaction amount for the year ended December 31, 2025 (RMB in millions)
1. Business Referral Framework Agreement ^(Note)	Guotai Haitong Securities and/or its controlled companies		
Payment of service fees by the Group to Guotai Haitong Securities and/or its controlled companies		8.0	7.3
Payment of service fees by Guotai Haitong Securities and/or its controlled companies to the Group		2.9	0.5
2. Financial Service Framework Agreement ^(Note)	Guotai Haitong Securities and/or its controlled companies		
Payment of service fees by the Group to Guotai Haitong Securities and/or its controlled companies		150.0	24.4

Continuing connected transactions	Connected person(s)	Annual cap for 2025 (RMB in millions)	Actual transaction amount for the year ended December 31, 2025 (RMB in millions)
3. Financial Products Investment Framework Agreement ^(Note)	Guotai Haitong Securities and/or its controlled companies		
Maximum daily balance of financial products purchased by the Group from Guotai Haitong Securities and/or its controlled companies		200.0	—
Payment of income by Guotai Haitong Securities and/or its controlled companies to the Group		10.0	—

Note: For details of the connected transactions, please see the announcement of the Company dated September 6, 2024.

(1) Business Referral Framework Agreement

(a) Description of the Transaction

On September 6, 2024, the Company entered into a business referral framework agreement with Guotai Haitong Securities in respect of the business referral services provided by the Group, Guotai Haitong Securities and its controlled companies to each other and payment of service fees for such services. The business referral framework agreement provides that all service fees shall be (i) determined on an arm's length basis taking into consideration factors such as the types of customers referred, the types of projects, and the extent of the referrer's participation in the referred projects; (ii) conducted on normal commercial terms and at a level no less favourable than the fees charged by independent third parties for similar and comparable services; and (iii) in compliance with, among others, the Listing Rules and applicable laws.

The business referral framework agreement was effective from January 1, 2025 and will expire on December 31, 2027 and is renewable upon mutual agreement, subject to compliance with the then applicable provisions of the Listing Rules.

(b) *Purposes of the Transaction*

The Group, Guotai Haitong Securities and its controlled companies provide business referral services to each other on normal commercial terms in the ordinary and usual course of their business. Such cooperation enables us and Guotai Haitong Securities and its controlled companies to capitalise on the respective high-quality and broad customer bases and information resource platforms of each other to further expand the business and maximise the interests of the Shareholders as a whole.

(c) *Listing Rules Implications*

During the Reporting Period, given that Guotai Haitong Securities is the indirect controlling shareholder of the Company, Guotai Haitong Securities and its controlled companies are connected persons of the Company pursuant to Chapter 14A of the Listing Rules. Therefore, the business referral framework agreement entered into between the Company and Guotai Haitong Securities and/or its controlled companies constitutes continuing connected transactions of the Company under the Listing Rules.

As the highest applicable percentage ratio of the transactions contemplated under the business referral framework agreement under Chapter 14A of the Listing Rules for the year ended December 31, 2025, on an annual basis, was higher than 0.1%, but lower than 5%, such continuing connected transactions shall be subject to the annual review, reporting and announcement requirements under Chapter 14A of the Listing Rules but exempt from independent Shareholders' approval requirement.

(2) Financial Service Framework Agreement

(a) *Description of the Transaction*

On September 6, 2024, the Company entered into a financial service framework agreement with Guotai Haitong Securities, pursuant to which Guotai Haitong Securities and its controlled companies shall provide financial services, including underwriting, sponsoring, asset management, consultancy services and liquidity support, to the Group, and the Group shall pay the financial service fees, including the underwriting fees, sponsoring fees, management fees, consultancy fees and/or commitment fees, to Guotai Haitong Securities and its controlled companies. The financial service framework agreement provides that all such services and fees shall be (i) conducted in the ordinary and usual course of business of the Group and Guotai Haitong Securities and its controlled companies; (ii) determined on an arm's length basis; (iii) conducted on normal commercial terms and at a level no less favourable than the fees charged by independent third parties for similar services provided to the Group; and (iv) in compliance with, among others, the Listing Rules and applicable laws.

The financial service framework agreement was effective from January 1, 2025 and will expire on December 31, 2027 and is renewable upon mutual agreement, subject to compliance with the then applicable provisions of the Listing Rules.

(b) Purposes of the Transaction

Guotai Haitong Securities and its controlled companies provide financial services, including underwriting, sponsoring, asset management, consultancy services and liquidity support in respect of the financing instruments including asset management plans, debt securities, ABS schemes and beneficiary certificates issued by the Group on normal commercial terms in the ordinary and usual course of their business.

(c) Listing Rules Implications

During the Reporting Period, given that Guotai Haitong Securities is the indirect controlling shareholder of the Company, Guotai Haitong Securities and its controlled companies are connected persons of the Company pursuant to Chapter 14A of the Listing Rules. Therefore, the financial service framework agreement entered into between the Company and Guotai Haitong Securities and/or its controlled companies constitutes a continuing connected transaction of the Company under the Listing Rules.

As the highest applicable percentage ratio of the transactions contemplated under the financial service framework agreement under Chapter 14A of the Listing Rules for the year ended December 31, 2025, on an annual basis, was higher than 0.1%, but lower than 5%, such continuing connected transactions shall be subject to the annual review, reporting and announcement requirements under Chapter 14A of the Listing Rules but exempt from independent Shareholders' approval requirement.

(3) Financial Products Investment Framework Agreement

(a) Description of the Transaction

On September 6, 2024, the Company entered into a financial products investment framework agreement with Guotai Haitong Securities, pursuant to which the Group may purchase money market funds, other wealth management products and beneficiary certificates (the "Financial Products") issued by Guotai Haitong Securities and its controlled companies. The financial products investment framework agreement provides that all transactions and payments shall be (i) conducted in the ordinary and usual course of business of the Group and Guotai Haitong Securities and its controlled companies; (ii) determined on an arm's length basis; (iii) conducted on normal commercial terms and on terms no less favourable than those offered by Guotai Haitong Securities to independent third parties for the sale of similar products; and (iv) in compliance with, among others, the Listing Rules and applicable laws.

The financial products investment framework agreement was effective from January 1, 2025 and will expire on December 31, 2027 and is renewable upon mutual agreement, subject to the then applicable provisions of the Listing Rules.

(b) *Purposes of the Transaction*

To improve the efficiency of funds utilisation, the Group purchases the Financial Products issued by third parties, including Guotai Haitong Securities and its controlled companies, from time to time on normal commercial terms in the ordinary course of its business.

(c) *Listing Rules Implications*

During the Reporting Period, given that Guotai Haitong Securities is the indirect controlling shareholder of the Company, Guotai Haitong Securities and its controlled companies are connected persons of the Company pursuant to Chapter 14A of the Listing Rules. Therefore, the financial products investment framework agreement entered into between the Company and Guotai Haitong Securities and/or its controlled companies constitutes a continuing connected transaction of the Company under the Listing Rules.

As the highest applicable percentage ratio of the transactions contemplated under the financial products investment framework agreement under Chapter 14A of the Listing Rules for the year ended December 31, 2025, on an annual basis, was higher than 0.1% but lower than 5%, such continuing connected transactions shall be subject to the annual review, reporting and announcement requirements under Chapter 14A of the Listing Rules but exempt from independent Shareholders' approval requirement.

6.2 Internal Control Procedures Adopted by the Company in respect of the Implementation of Continuing Connected Transactions

During the Reporting Period, in order to ensure the terms under relevant framework agreements for the continuing connected transactions are fair and reasonable and are carried out on normal commercial terms, the Company has adopted the following internal control procedures:

- (1) The Company has adopted and implemented a comprehensive management system on connected transactions. Under such system, the Shareholders' general meetings, the Board, the general manager and the secretary to the Board are responsible for supervision, management and approval of the Company's connected transactions in accordance with the relevant requirements of the Hong Kong Listing Rules and the Articles of Association. In addition, the relevant functional and business departments of the Company are jointly responsible for the daily management of the connected transactions;
- (2) The independent non-executive Directors will review the framework agreements for non-exempt continuing connected transactions to ensure that the agreements have been entered into on normal commercial terms that are fair and reasonable and carried out in accordance with the terms of such agreements. The auditor of the Company will also review annually the pricing policies and annual caps of such agreements;

- (3) In determining the provision of services or financial products to the Company, Guotai Haitong Securities and/or its controlled companies will provide fee quotations to the Company in advance. As mentioned above, in order to ensure that the pricing policies under relevant framework agreements for the continuing connected transactions are fair and reasonable, the relevant functional departments of the Company shall review the prices proposed by Guotai Haitong Securities and/or its controlled companies through the following review procedures:
- if market prices are available, the proposed price will be compared with market prices to ensure that the proposed price is equivalent to or no less favourable to the Company than prices offered by independent third parties providing similar services or financial products. The Company will make enquiries to various independent third party service providers for their prices for further internal assessments;
 - if no market price is available, various factors will be considered in determining whether the price is fair and reasonable, such as regulatory requirements, actual needs of the Company, the nature of service/financial products, and the financial position and creditworthiness of the service/financial products provider; and
 - the proposed price will be reviewed to ensure it is consistent with the pricing terms under the relevant framework agreements for the non-exempt continuing connected transactions, and that the terms offered by Guotai Haitong Securities and/or its controlled companies to the Company are no less favourable to the Company than those offered to independent third parties.
- (4) In determining the actual fee for the referral services provided by the Company to Guotai Haitong Securities and/or its controlled companies, the Company will consider factors such as the nature and the costs of services rendered, our profit margin and the referral fees we charge independent third parties for similar services to determine whether the relevant pricing policies are fair and reasonable. In addition, as mentioned above, in order to ensure the fairness and reasonableness of the pricing policies under the relevant framework agreements for the continuing connected transactions, relevant business and functional departments of the Company will follow the corresponding review procedures to evaluate the price to ensure that it is consistent with the pricing policies under the relevant agreements for the continuing connected transactions, and that the terms offered by the Company to Guotai Haitong Securities and/or its controlled companies are no less favourable to the Company than those offered to independent third parties.

6.3 Confirmation of Independent Non-executive Directors

Independent non-executive Directors have reviewed the above continuing connected transactions and confirmed that such transactions are:

- (1) entered into during the ordinary and usual course of business of the Company;
- (2) on normal commercial terms or better terms; and
- (3) conducted on terms under relevant agreements which are fair and reasonable and are in the interest of the Shareholders as a whole.

6.4 Confirmation of Auditor

Pursuant to Rule 14A.56 of the Listing Rules, the Board has received a letter from the auditor, confirming that the continuing connected transactions:

- (1) have been approved by the Board;
- (2) were entered into according to the pricing policy of the Group;
- (3) were entered into in accordance with the relevant agreements governing the transactions; and
- (4) have not exceeded the annual caps for the year ended December 31, 2025.

Certain related party transactions as described in the notes of the consolidated financial statements constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules, and comply with the disclosure requirements of Chapter 14A of the Listing Rules.

Save as disclosed in this annual report, during the Reporting Period, the Company had no connected transactions or continuing connected transactions that are required to be disclosed in accordance with the provisions under Chapter 14A of the Listing Rules in relation to the disclosure of connected transactions.

7. CUSTOMERS, SUPPLIERS AND EMPLOYEES

Major Customers

For the year ended December 31, 2025, revenue from the Group's five largest customers accounted for 7.01% (2024: 7.47%) of the Group's total revenue, while revenue from the Group's single largest customer accounted for 2.56% (2024: 2.44%) of the Group's total revenue.

Major Suppliers

We do not have any major suppliers due to the nature of business of the Group.

Employee Relationship

The Group regards its employees as its most valuable assets and believes that the sound development of employees can enhance its competitiveness and sustainability. Hence, the Group has actively established a comprehensive employee training system and has been exploring the establishment of a medium to long-term incentive scheme to share the development results of the Group with employees, and is committed to enhancing their satisfaction, happiness, sense of belonging and sense of achievement. For the talent development and remuneration and benefits policies for employees of the Group, please refer to the section headed "Management Discussion and Analysis – Human Resources" in this report. During the Reporting Period, the Group had not experienced any labour disputes that affected our daily business operations.

In addition, the Group prioritises the safety and health of its employees by providing them with a safe and healthy working environment. It also regularly inspects and maintains office equipment, examines the safety and hygiene of canteens and cleans carpets and air conditioning systems. During the Reporting Period, the Group had not received any report on material incidents of work-related injuries.

Customer Relationship

The Group understands the importance of maintaining good customer relationships. We adhere to a customer-oriented principle and strive to provide quality tailor-made services and create a reliable and convenient service environment for customers. FinTech has been adopted to enhance the digitalisation and intelligence of our services. We continue to improve customers' recognition of and trust in the Group so as to expand our customer ecosystem and strengthen our market position and create more sustainable development opportunities. During the Reporting Period, there was no pending material litigation or arbitration which might have had a significant impact on the Group.

8. SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at December 31, 2025, to the knowledge of the Directors, the following persons (excluding Directors and chief executive of the Company) had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Shareholder	Class of Shares	Capacity/nature of interest	Total number of Shares held	Percentage of	Percentage of	Long position/ short position
				total issued Shares of the Company	total issued Shares of the same class of the Company	
Guotai Haitong Securities	H Shares	Interests of controlled corporation ^(Note)	4,559,153,176	55.36%	78.68%	Long position
	Domestic Shares	Interests of controlled corporation ^(Note)	2,440,846,824	29.64%	100%	Long position
Haitong UT Capital	H Shares	Beneficial owner ^(Note)	4,559,153,176	55.36%	78.68%	Long position
Haitong Innovation Securities Investment Co., Ltd.	Domestic Shares	Beneficial owner ^(Note)	2,440,846,824	29.64%	100%	Long position

Note: On March 14, 2025, the indirect controlling shareholder of the Group was changed to Guotai Haitong Securities, and Shanghai International Group Co., Ltd. became the actual controller of the Company. For details, please refer to the announcement of the Company dated March 16, 2025. As at December 31, 2025, Guotai Haitong Securities held 100% equity interests in Haitong Innovation Securities Investment Co., Ltd. and Haitong UT Capital. Hence, pursuant to the SFO, Guotai Haitong Securities was deemed to be interested in the 2,440,846,824 Domestic Shares held by Haitong Innovation Securities Investment Co., Ltd. and the 4,559,153,176 H Shares held by Haitong UT Capital.

Save as disclosed above, as at December 31, 2025, to the knowledge of the Directors, no other persons had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company under Section 336 of the SFO.

9. INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at December 31, 2025, none of the Directors or the chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken to or deemed to have under such provisions of the SFO), or which were required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

10. DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, at no time during the Reporting Period was the Company or its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate, and none of the Directors, their spouses or children under the age of 18, had any rights to subscribe for equity securities in, or debt securities of, the Company or any other body corporate, or had exercised any such rights during the Reporting Period.

11. DIRECTORS' INTERESTS IN COMPETING BUSINESS

Save as disclosed in this annual report, as at December 31, 2025, none of the Directors or their respective associates had interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

12. DIRECTORS' SERVICE CONTRACTS

Each of the Directors has entered into a service contract with the Company. Among them, Mr. Mao Yuxing and Ms. Zheng Huan, the newly appointed Directors, each entered into a service contract with the Company on September 26, 2025, respectively. Ms. Wu Jian, the newly appointed employee Director, entered into a service contract with the Company on October 10, 2025.

During the Reporting Period, none of the Directors had entered into a service contract with the Group which cannot be terminated by the Group within one year without payment of compensation (other than statutory compensation).

13. REMUNERATION OF DIRECTORS AND CHIEF EXECUTIVE

Remuneration of Directors and senior management is proposed by the Remuneration Appraisal and Nomination Committee based on their positions, duties, academic qualifications, working experience, work performance, performance of duties and appraisal results, with reference to the remuneration levels of similar positions in the same region, in the same industry or among competitors. The remuneration of Directors is subject to approval by the Shareholders' General Meeting while the remuneration of senior management is subject to approval by the Board.

Details of remuneration of Directors and chief executive of the Group for the year ended December 31, 2025 are set forth in notes 41 and 42 to the consolidated financial statements of the Group.

14. INDEMNITY OF DIRECTORS AND SENIOR MANAGEMENT

According to the Articles of Association, the Company will bear the civil liability arising from the discharge of the duties of its Directors and senior management to the maximum extent permitted by, or to the extent not prohibited by, the applicable laws and administrative regulations, unless such Directors and senior management members are proven to have failed to perform their duties honestly or in good faith.

At no time during the Reporting Period was there any permitted indemnity provision being or having been in force for the benefit of any of the Directors (whether made by the Company or otherwise) or any director of its associated company (if made by the Company). The Company has arranged appropriate directors and officers liability insurance for the Directors and senior management.

15. DIRECTORS' INTERESTS IN MATERIAL TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

The Company and Guotai Haitong Securities have entered into connected transaction agreements, details of which are set out in “— Connected Transactions” in this section.

Save as disclosed above, during the Reporting Period, none of the Directors or entities connected with the Directors had material interests, either directly or indirectly, in any transactions, arrangements or contracts to which the Company or any of its subsidiaries was a party, and of significance to the business of the Group.

16. PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares (as defined in the Hong Kong Listing Rules)). As at the end of the Reporting Period, the Company did not hold any treasury shares.

17. PRE-EMPTIVE RIGHTS

There is no provision under the Articles of Association and the PRC laws regarding pre-emptive rights that requires the Company to offer new Shares to its existing Shareholders on a pro-rata basis.

18. SHARE OPTION ARRANGEMENTS

As at December 31, 2025, the Company did not have any equity incentive plan.

19. ADMINISTRATION CONTRACTS

During the Reporting Period, the Company did not enter into or have any contracts in respect of the management and administration of the entire or any significant part of its business.

20. DISTRIBUTABLE RESERVES

As at December 31, 2025, the Company's distributable reserves amounted to RMB4,593,244,980.78 (as at December 31, 2024: RMB4,487,417,468.71).

21. PROPERTY AND EQUIPMENT

Details of changes in property and equipment of the Group as at December 31, 2025 are set forth in note 16 to the consolidated financial statements.

22. RETIREMENT AND BENEFITS

Details of the retirement and employee benefit schemes of the Company are set forth in note 9 to the consolidated financial statements.

23. DONATIONS

Total charitable and other donations made by the Group for the year ended December 31, 2025 amounted to RMB1,025,908.37 (2024: RMB663,519.10).

24. LOAN AGREEMENTS

During the Reporting Period, the Group entered into loan agreements with certain banks, under which loans of approximately RMB741.9 million contain covenants requiring the Group to ensure that Guotai Haitong Securities maintains effective control over the Group. The terms of such loan agreements range from 11 to 33 months.

25. REVIEW OF ANNUAL RESULTS

The accounting principles and practices adopted by the Group and the audited consolidated financial statements for the year ended December 31, 2025 have been reviewed by the Audit Committee jointly with the management and the external auditor of the Company. Deloitte Touche Tohmatsu has audited the accompanying financial statements, which have been prepared in accordance with IFRS Accounting Standards.

On May 12, 2023, PricewaterhouseCoopers and PricewaterhouseCoopers Zhong Tian LLP were re-appointed as the auditors of the Company for the year ended December 31, 2023. In 2024, in light of market information, the Company issued an announcement on December 23, 2024 in relation to the proposed change of auditor, and subsequently appointed Deloitte Touche Tohmatsu on January 21, 2025 as the auditor of the Company for the year ended December 31, 2024. On May 16, 2025, Deloitte Touche Tohmatsu was re-appointed as the auditor of the Company for the year ended December 31, 2025. Please refer to the Company's announcements dated May 12, 2023, December 23, 2024, January 21, 2025 and May 16, 2025, respectively, for details of the changes and re-appointments of auditors.

**The Board of Directors of
Haitong Unitrust International Financial Leasing Co., Ltd.**
March 27, 2026

Report of the Board of Supervisors

From January 1, 2025 to September 25, 2025, in strict accordance with the Company Law, the Articles of Association, the Rules of Procedure of the Board of Supervisors and other relevant laws and regulations, the Board of Supervisors and all its members upheld the principles of responsibility, integrity, diligence and prudence. Centring on the Company's core operations, they fully participated in the operation of the corporate governance system and carried out the supervisory duties in a pragmatic, efficient and diligent manner. From January 1, 2025 to September 25, 2025, members of the Board of Supervisors sat in on all meetings of the Board and attended all Shareholders' general meetings. They effectively supervised key aspects such as the performance of duties by the Board and senior management, business operations, risk control, and compliance management. They also provided opinions and suggestions on major decisions, safeguarded the legitimate rights and interests of the Shareholders, the Company and employees, and were committed to promoting the sustainable and high-quality development of the Company.

The Board of Supervisors shall be accountable to the Shareholders' general meeting and exercise the following duties and powers in accordance with the law:

- (1) to examine the financial position of the Company;
- (2) to supervise any conduct by the directors, general manager and other senior management that is in violation of the laws, administrative regulations or the Articles of Association in the performance of their duties;
- (3) to demand any director, general manager and other senior management of the Company to rectify behaviour which is harmful to the interests of the Company;
- (4) to examine the financial information, such as financial reports, business reports and profit distribution plans, that the board of directors intends to submit to the shareholders' general meeting, and if in doubt, engage certified public accountants or practising auditors to review such information on behalf of the Company;
- (5) to propose to convene an extraordinary general meeting;
- (6) to represent the Company in negotiating with directors or institute proceedings against directors;
- (7) to exercise other functions and powers specified in the laws, administrative regulations, regulatory documents and the Articles of Association.

With effect from September 26, 2025, in accordance with the Company Law and other applicable laws and regulations, the Company no longer maintains a Board of Supervisors or supervisors, and the relevant powers and functions will be exercised by the Audit Committee of the Board.

1. MEETINGS OF THE BOARD OF SUPERVISORS

From January 1, 2025 to September 25, 2025, the Board of Supervisors held two meetings, at which 10 resolutions were considered and passed in relation to the work report of the Board of Supervisors, annual and interim reports, risk assessment report, compliance report, profit distribution plan, re-appointment of auditors and abolishment of the Board of Supervisors.

The following table sets forth the attendance of members of the Board of Supervisors at meetings of the Board of Supervisors:

Supervisor	Number of meetings attended/ should have attended
Mr. Wu Xiangyang	2/2
Mr. Chen Xinji	2/2
Mr. Hu Zhangming	2/2

2. ATTENDING SHAREHOLDERS' GENERAL MEETINGS AND SITTING IN ON MEETINGS OF THE BOARD

From January 1, 2025 to September 25, 2025, the Company held 2 Shareholders' general meetings and 8 meetings of the Board. Members of the Board of Supervisors, by attending or sitting in on relevant meetings, effectively supervised the decision-making on important matters such as periodic reports, profit distribution and annual operating performance assessment, and reviewed the implementation of the Board's decisions by senior management, thereby effectively fulfilling the supervisory duties of the Board of Supervisors. The following table sets forth the relevant meetings that Supervisors attended or sat in on:

Supervisor	Number of Shareholders' general meetings attended/ should have attended	Number of Board meetings sat in on/should have sat in on
Mr. Wu Xiangyang	2/2	8/8
Mr. Chen Xinji	2/2	8/8
Mr. Hu Zhangming	2/2	8/8

3. SUPERVISION OF FINANCIAL POSITION

The Board of Supervisors carefully reviewed the Company's periodic reports and financial position, and considered matters such as the Company's annual and interim profit distribution and re-appointment of auditors, and received reports on financial operations and plans, including major financial indicators such as asset-liability status and equity status, and budget execution. The Board of Supervisors is of the view that the Company has sound financial policies, a comprehensive internal control system, standardised financial procedures and a sound financial condition, and the financial reports have truthfully and objectively reflected the financial condition and operating results of the Company.

Report of the Board of Supervisors

4. SUPERVISION OF OPERATION AND MANAGEMENT

The Board of Supervisors regularly received reports from senior management on the Company's overall operations by attending Shareholders' general meetings and meetings of the Board. It also gained a comprehensive and timely understanding of the Company's operations through matters such as the appointment of senior management and annual performance assessment. The Board of Supervisors is of the view that the decision-making procedures of the Company were in compliance with laws and regulations including the Company Law and the relevant requirements under the Articles of Association, Shareholders' general meetings and meetings of the Board were lawfully convened and held, and all resolutions were effectively implemented. Directors and senior management of the Company duly performed their duties in accordance with the authorisation and the principle of good faith, and committed no acts in violation of the laws and regulations, abuse of power or behaviours that would damage the interests of the Company, Shareholders or employees.

5. CONDUCTING INTERNAL CONTROL AND COMPLIANCE SUPERVISION DILIGENTLY

The Board of Supervisors received presentations on the compliance report and the report on compliance management operations to fully understand:

- (1) the Company's compliance culture development initiatives and their implementation;
- (2) the implementation of compliance review, compliance inspection and compliance assessment of the Company;
- (3) the establishment of the compliance system of the Company;
- (4) the significant changes in policies for the industry in which the Company operates;
- (5) the assessment of the effectiveness of compliance management;
- (6) compliance management work plans, etc.

The Board of Supervisors is of the view that the various compliance management efforts undertaken by the Company have played a positive role in facilitating the compliant and orderly development of the Company. Meanwhile, the Board of Supervisors suggested that the Company should closely monitor and implement the newly promulgated laws and regulations, regulatory measures and management rules in relation to the financial leasing industry, strengthen the compliance awareness of all employees and enhance the level of compliance governance, so as to effectively strengthen the compliance management of all types of businesses and all business units.

6. CONTINUOUS ENHANCEMENT OF RISK MANAGEMENT SUPERVISION

The Board of Supervisors received presentations on the comprehensive risk management situation and risk assessment reports to gain a comprehensive understanding of the risk management situation of the Company, including:

- (1) general risk assessment of the industry;
- (2) credit risk and the operation of risk management indicators;
- (3) ESG risk management system establishment and ESG risk management;
- (4) identification and management of various risks;
- (5) establishment of the risk management system;
- (6) asset allocation;
- (7) fintech empowerment;
- (8) operation of data marts, data model validation and stress testing;
- (9) future risk management planning.

The Board of Supervisors proposed that the Company should continue to strengthen the forward-looking management of risk analysis and prevention, and strengthen the handling of major risk events, and it should continue to deepen asset allocation efforts, improve the guidance and depth of peer and thematic research, strengthen post-lease management, improve the efficiency and effectiveness of asset recovery, and comprehensively fortify the risk defence lines in order to ensure the security of assets and their sound development.

Haitong Unitrust International Financial Leasing Co., Ltd.

Definitions

“Articles of Association”	the Articles of Association of Haitong Unitrust International Financial Leasing Co., Ltd.
“Audit Committee”	the audit committee of the Company
“Board” or “Board of Directors”	the board of Directors of the Company
“Company Law”	the Company Law of the People’s Republic of China, as amended, supplemented or otherwise modified from time to time
“Controlling Shareholder”	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 Hong Kong Listing Rules, as amended, supplemented or otherwise modified from time to time
“CSDC”	China Securities Depository and Clearing Corporation Limited
“Director(s)”	member(s) of the Board of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, held by investor(s) in Mainland China
“Environmental, Social and Governance Committee”	the environmental, social and governance committee of the Company
“ESG”	Environment, Social and Governance
“former CBIRC”	the former China Banking and Insurance Regulatory Commission. On May 18, 2023, the National Financial Regulatory Administration was officially established, and the China Banking and Insurance Regulatory Commission ceased to exist
“Group” or “we” or “us”	the Company and its subsidiaries

“Guotai Haitong” or “Guotai Haitong Securities”	Guotai Haitong Securities Co., Ltd., formed through the merger of Guotai Junan Securities and Haitong Securities. Haitong Securities was established in 1988, while Guotai Securities and Junan Securities were both founded in 1992 and merged in August 1999 to form Guotai Junan. In September 2024, Guotai Junan and Haitong Securities actively responded to national strategy by implementing a merger and restructuring, which was completed in March 2025. The post-merger company was officially renamed Guotai Haitong Securities in April 2025. Guotai Haitong Securities is currently the indirect controlling shareholder of the Company, and Shanghai International Group Co., Ltd. (as the actual controller of Guotai Haitong Securities) is currently the actual controller of the Company
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, subscribed for and traded in HK dollars and listed on the Hong Kong Stock Exchange
“Haitong Securities”	former Haitong Securities Co., Ltd.
“Haitong Unitrust” or “Company”	Haitong Unitrust International Financial Leasing Co., Ltd.
“Haitong UT Capital”	Haitong UT Capital Group Co., Limited
“HK dollar(s)” or “HKD”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules” or “Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“IFRS Accounting Standards”	IFRS Accounting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board and the International Accounting Standards and interpretations issued by the International Accounting Standards Committee
“IoT”	Internet of Things
“Listing”	listing of the H Shares on the Main Board of the Hong Kong Stock Exchange

Definitions

“MSE Subsidiary”	Haitong UT MSE Financial Leasing (Shanghai) Co., Ltd.
“Nomination Committee”	the nomination committee of the Company
“PBOC”	People’s Bank of China, the central bank of the PRC
“Remuneration and Evaluation Committee”	the remuneration and evaluation committee of the Company
“Remuneration Appraisal and Nomination Committee”	the remuneration appraisal and nomination committee of the Company
“Reporting Period”	the year ended December 31, 2025
“Risk Management Committee”	the risk management committee of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Securities and Futures Ordinance” or “SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	the share(s) in the share capital of the Company with a nominal value of RMB1.00 each
“Shareholder(s)”	the holder(s) of Shares
“subsidiary(ies)”	has the meaning ascribed to it in section 15 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong)
“Supervisor(s)”	member(s) of the Board of Supervisors of the Company
“U.S.” or “United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“UniFortune Subsidiary”	Haitong UniFortune Financial Leasing (Shanghai) Corporation
“US\$” or “US dollar(s)”	United States dollar(s), the lawful currency of the United States

Certain amounts and percentage figures included in this report have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

Glossary of Technical Terms

“14th Five-Year Plan”	the Outline of the “14th Five-Year Plan” for National Economic and Social Development of the People’s Republic of China and the Long-Range Objectives Through the Year 2035
“15th Five-Year Plan”	the Outline of the “15th Five-Year Plan” for National Economic and Social Development of the People’s Republic of China
“20th CPC National Congress”	the 20th National Congress of the Communist Party of China
“ABS”	asset-backed securities
“AI+”	Artificial Intelligence +, a concept and practice that deeply integrates artificial intelligence technology with various industries to promote industrial transformation, upgrading and innovative development
“Data Centre”	Internet Data Centre
“emission peak and carbon neutrality”	the low-carbon development target proposed by the Chinese government that it will strive to peak its carbon dioxide emissions by 2030 and achieve carbon neutrality by 2060
“fintech”	financial technology
“Five Major Sectors of Finance”	the five major sectors of development for technology finance, green finance, inclusive finance, pension finance and digital finance put forward in the Central Financial Work Conference held at the end of October 2023
“Green Financial Leasing Project Recognition Rules”	the first local standard for green financial leasing in China, compiled by the Shanghai Financial Leasing Industry Association and issued by the Shanghai Administration for Market Regulation, which aims to establish a unified standard for recognising green financial leasing projects and support the development of green industries
“inclusive finance”	provision of appropriate and effective financial services at affordable costs to all social classes and groups with a need for financial services (e.g., micro- and small-sized enterprises, farmers, low-income urban population, poor individuals, etc.)

Glossary of Technical Terms

“liquidity management”	a series of management activities whereby economic entities monitor, analyse, adjust, and control their liquidity to ensure they can meet funding needs, maintain smooth capital flow, and achieve stable operations under varying market conditions
“LME”	large and medium-sized enterprises
“LPR”	Loan Prime Rate
“Made in China 2025”	a national strategy issued by the State Council in May 2015 to upgrade China’s manufacturing sector
“Management Dashboard”	a tool for gaining insights into the Company’s daily operating conditions through visualised data dashboards, and enabling the management to make efficient, data-driven decisions
“MSE”	micro- and small-sized enterprises
“Niche”	the features of “specialisation, refinement, distinctiveness and novelty” as defined under the Guiding Opinions of the Ministry of Industry and Information Technology on the Promotion of “Niche” Medium- and Small-sized Enterprises (MIIT Qi Ye [2013] No. 264)
“NPA(s)”	non-performing asset(s)
“sensitivity analysis”	a method of uncertainty analysis that identifies sensitive factors that have a significant impact on the economic benefit indicators of investment projects from numerous uncertain factors, and analyses and calculates their degree of impact and sensitivity on the economic benefits indicators of projects, in order to determine the risk tolerance of projects
“stress test”	a method to prospectively assess risk exposure under stress scenarios, identify and locate vulnerable links in the business, improve understanding of the risk profile, and monitor changes in risk
“Two Major and Two New”	Two Major: implementation of major national strategies and the development of security capabilities in key areas Two New: large-scale equipment renewal and trade-in programs for consumer goods

Independent Auditor's Report

TO THE SHAREHOLDERS OF HAITONG UNITRUST INTERNATIONAL FINANCIAL LEASING CO., LTD.

(Incorporated in the People's Republic of China with limited liability)

OPINION

We have audited the consolidated financial statements of Haitong Unitrust International Financial Leasing Co., Ltd. (海通恆信國際融資租賃股份有限公司) (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 138 to 252, which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"), as applicable to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Expected credit loss allowance of finance lease receivables and receivables arising from sale and leaseback arrangements	
<p>We identified expected credit loss (“ECL”) allowance of finance lease receivables and receivables arising from sale and leaseback arrangements as a key audit matter due to the aggregate amount of these assets is material and it requires the application of judgment and estimation by the management to determine the amount of ECL.</p>	<p>Our procedures in relation to the expected credit loss allowance of finance lease receivables and receivables arising from sale and leaseback arrangements included:</p>
<p>The measurement model for ECL involves significant judgements and estimations, including determination of whether there is significant increase in credit risk (SICR) and whether an asset is credit-impaired, the probability of default (PD) and loss given default (LGD), and incorporation of forward-looking information.</p>	<ul style="list-style-type: none">• We understood and assessed management’s process and internal controls in credit approval, post approval monitoring, the identification of SICR indicators and impairment evidence, and data used in ECL model;• In particular, we tested the operating effectiveness of the controls over the identification of SICR indicators and impairment evidence;• On a sample basis, we obtained credit analysis performed by management based on the business operating and financial information of the debtors to assess the appropriateness of the management’s identification of SICR and credit-impaired assets;• With the support of our internal specialists, we evaluated the reasonableness of the ECL model methodology and related parameters including assessing stage determination, PD, LGD, risk exposure and forward-looking information;
<p>As disclosed in Notes 19 and 20, respectively, as at December 31, 2025, the Group held finance lease receivables of RMB13,219 million, less loss allowance of RMB966 million; receivables arising from sale and leaseback arrangements of RMB77,771 million, less loss allowance of RMB2,252 million.</p>	

Independent Auditor's Report

Key Audit Matter	How our audit addressed the Key Audit Matter
Expected credit loss allowance of finance lease receivables and receivables arising from sale and leaseback arrangements	<ul style="list-style-type: none">• For data used in ECL model, we tested on a sample basis, the credit risk grading, write-off and recovery data for the year by checking to the relevant information on the credit risk grading list and write-off list approved by the management, and actual recovery records;• For credit-impaired assets, we tested on a sample basis, the reasonableness of future cash flows estimated by the Group, including the expected recoverable amounts from the counterparties, guarantors, or realisation of collateral held to support the computation of loss allowance; and• Recalculating the ECL allowance made by management.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditor's Report

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Cheuk Hoi Ho.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

March 27, 2026

Consolidated Statement of Profit or Loss for the Year Ended December 31, 2025

	Notes	Year ended December 31	
		2025 thousands of RMB	2024 thousands of RMB
Revenue			
Finance lease income	5	1,053,894	1,374,950
Interest income from sale and leaseback arrangements	5	4,909,669	4,801,898
Operating lease income	5	598,143	693,916
Service fee income	5	258,073	266,859
Other interest income	5	36	1,619
Total revenue		6,819,815	7,139,242
Net investment gains	6	203,556	167,919
Other income, gains or losses	7	304,241	1,547,560
Total revenue and other income, gains		7,327,612	8,854,721
Depreciation and amortisation	8	(374,259)	(389,437)
Staff costs	9	(740,996)	(722,963)
Interest expenses	10	(2,446,177)	(3,056,795)
Other operating expenses	11	(365,473)	(1,199,136)
Impairment losses under expected credit loss model	12	(1,498,319)	(1,512,198)
Other impairment losses		(9,172)	(12,708)
Total expenses		(5,434,396)	(6,893,237)
Profit before income tax		1,893,216	1,961,484
Income tax expenses	13	(468,447)	(448,587)
Profit for the year		1,424,769	1,512,897

The notes on pages 148 to 252 are part of the consolidated financial statements.

Consolidated Statement of Profit or Loss for the Year Ended December 31, 2025

	Notes	Year ended December 31	
		2025	2024
		thousands of RMB	thousands of RMB
Attributable to:			
Owners of the Company			
– Ordinary shareholders		1,344,729	1,392,850
– Other equity instrument holders		80,648	116,471
Non-controlling interests		(608)	3,576
		1,424,769	1,512,897
Earnings per share attributable to ordinary shareholders of the Company (Expressed in RMB Yuan per share)			
– Basic	14	0.16	0.17
– Diluted	14	N/A	N/A

The notes on pages 148 to 252 are part of the consolidated financial statements.

Consolidated Statement of Profit or Loss and other Comprehensive Income for the Year Ended December 31, 2025

	Year ended December 31	
	2025	2024
	thousands of RMB	thousands of RMB
Profit for the year	1,424,769	1,512,897
Other comprehensive (expense)/income:		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	(51,325)	12,378
Fair value loss on cash flow hedges	(94,067)	(5,854)
Other comprehensive (expense)/income for the year, net of income tax	(145,392)	6,524
Total comprehensive income for the year	1,279,377	1,519,421
Attributable to:		
Owners of the Company		
— Ordinary shareholders	1,199,337	1,399,374
— Other equity instrument holders	80,648	116,471
Non-controlling interests	(608)	3,576
	1,279,377	1,519,421

The notes on pages 148 to 252 are part of the consolidated financial statements.

Consolidated Statement of Financial Position as at December 31, 2025

	Notes	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Non-current assets			
Property and equipment	16	6,276,683	6,919,934
Right-of-use assets	17	29,099	24,157
Intangible assets	18	64,635	79,452
Finance lease receivables	19	7,446,760	8,861,964
Receivables arising from sale and leaseback arrangements	20	36,053,361	37,939,542
Financial assets at fair value through profit or loss	24	16,823	11,652
Deferred tax assets	21	2,018,116	1,858,802
Other assets	22	2,241,978	2,414,379
Total non-current assets		54,147,455	58,109,882
Current assets			
Finance lease receivables	19	4,806,147	6,638,349
Receivables arising from sale and leaseback arrangements	20	39,465,713	37,252,858
Other assets	22	1,100,131	1,016,686
Accounts receivable	23	66,327	68,234
Financial assets at fair value through profit or loss	24	776,048	631,272
Derivative financial assets	25	36	96,429
Cash and bank balances	26	7,393,993	7,483,070
Total current assets		53,608,395	53,186,898
Total assets		107,755,850	111,296,780

The notes on pages 148 to 252 are part of the consolidated financial statements.

Consolidated Statement of Financial Position as at December 31, 2025

	Notes	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Current liabilities			
Borrowings	27	18,563,031	23,884,671
Derivative financial liabilities	25	2,851	23,419
Accrued staff costs	28	183,339	221,635
Accounts payable	29	273,308	261,946
Bonds payable	30	18,485,533	23,492,068
Income tax payable		452,813	389,285
Other liabilities	31	3,858,196	4,860,327
Total current liabilities		41,819,071	53,133,351
Net current assets		11,789,324	53,547
Total assets less current liabilities		65,936,779	58,163,429
Equity			
Share capital	32	8,235,300	8,235,300
Other equity instruments	33	2,384,043	2,468,928
Reserves			
– Capital reserve	34	2,458,295	2,461,003
– Surplus reserve	34	1,001,733	914,942
– Hedging reserve	34	(1,814)	92,253
– Translation reserve	34	(11,700)	39,625
Retained profits		6,297,555	5,714,969
Equity attributable to owners of the Company		20,363,412	19,927,020
– Ordinary shareholders		17,979,369	17,458,092
– Other equity instrument holders		2,384,043	2,468,928
Non-controlling interests		55,413	56,021
Total equity		20,418,825	19,983,041

The notes on pages 148 to 252 are part of the consolidated financial statements.

Consolidated Statement of Financial Position as at December 31, 2025

	Notes	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Non-current liabilities			
Borrowings	27	20,905,786	16,229,800
Bonds payable	30	20,099,541	17,077,301
Deferred tax liabilities	21	13,423	17,430
Other liabilities	31	4,499,204	4,855,857
Total non-current liabilities		45,517,954	38,180,388
Total equity and non-current liabilities		65,936,779	58,163,429

The notes on pages 148 to 252 are part of the consolidated financial statements.

The consolidated financial statements on pages 138 to 252 were approved and authorised for issue by the Board of Directors on March 27, 2026 and signed on behalf by:

Mao Yuxing
Chairman of the Board/
Executive Director

Zhou Jianli
Executive Director/
General Manager

Consolidated Statement of Changes in Equity for the Year Ended December 31, 2025

	Attributable to owners of the Company									
	Share	Capital	Surplus	Hedging	Translation	Retained	Ordinary	Other equity	Non-	Total
	capital	reserve	reserve	reserve	reserve	profits	shareholders	instruments	controlling	equity
	thousands of	thousands of	thousands of	thousands of	thousands of	thousands of	thousands of	thousands of	thousands of	thousands of
	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB
(Note 32)	(Note 34)	(Note 34)	(Note 34)	(Note 34)			(Note 33)			
At December 31, 2024	8,235,300	2,461,003	914,942	92,253	39,625	5,714,969	17,458,092	2,468,928	56,021	19,983,041
Profit/(loss) for the year	–	–	–	–	–	1,344,729	1,344,729	80,648	(608)	1,424,769
Other comprehensive expense for the year	–	–	–	(94,067)	(51,325)	–	(145,392)	–	–	(145,392)
Total comprehensive (expense)/ income for the year	–	–	–	(94,067)	(51,325)	1,344,729	1,199,337	80,648	(608)	1,279,377
Issue of other equity instruments	–	(2,708)	–	–	–	–	(2,708)	900,000	–	897,292
Redemption of other equity instruments	–	–	–	–	–	–	–	(1,000,000)	–	(1,000,000)
Appropriation to surplus reserve	–	–	86,791	–	–	(86,791)	–	–	–	–
Distribution of other equity instruments	–	–	–	–	–	–	–	(65,590)	–	(65,590)
Dividends recognised as distribution (Note 15)	–	–	–	–	–	(675,295)	(675,295)	–	–	(675,295)
Other	–	–	–	–	–	(57)	(57)	57	–	–
At December 31, 2025	8,235,300	2,458,295	1,001,733	(1,814)	(11,700)	6,297,555	17,979,369	2,384,043	55,413	20,418,825

The notes on pages 148 to 252 are part of the consolidated financial statements.

Consolidated Statement of Changes in Equity for the Year Ended December 31, 2025

	Attributable to owners of the Company									
	Share capital	Capital reserve	Surplus reserve	Hedging reserve	Translation reserve	Retained profits	Ordinary shareholders sub-total	Other equity instruments	Non- controlling interests	Total equity
	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB
	(Note 32)	(Note 34)	(Note 34)	(Note 34)	(Note 34)			(Note 33)		
At December 31, 2023	8,235,300	2,467,526	826,943	98,107	27,247	5,110,081	16,765,204	3,430,674	49,435	20,245,313
Profit for the year	–	–	–	–	–	1,392,850	1,392,850	116,471	3,576	1,512,897
Other comprehensive (expense)/ income for the year	–	–	–	(5,854)	12,378	–	6,524	–	–	6,524
Total comprehensive (expense)/ income for the year	–	–	–	(5,854)	12,378	1,392,850	1,399,374	116,471	3,576	1,519,421
Capital injection by non-controlling interests (Note 48)	–	–	–	–	–	–	–	–	3,010	3,010
Issue of other equity instruments	–	(6,523)	–	–	–	–	(6,523)	1,500,000	–	1,493,477
Redemption of other equity instruments	–	–	–	–	–	–	–	(2,470,000)	–	(2,470,000)
Appropriation to surplus reserve	–	–	87,999	–	–	(87,999)	–	–	–	–
Distribution of other equity instruments	–	–	–	–	–	–	–	(108,179)	–	(108,179)
Dividends recognised as distribution (Note 15)	–	–	–	–	–	(700,001)	(700,001)	–	–	(700,001)
Other	–	–	–	–	–	38	38	(38)	–	–
At December 31, 2024	8,235,300	2,461,003	914,942	92,253	39,625	5,714,969	17,458,092	2,468,928	56,021	19,983,041

The notes on pages 148 to 252 are part of the consolidated financial statements.

Consolidated Statement of Cash Flows for the Year Ended December 31, 2025

	Year ended December 31	
	2025	2024
	thousands of	thousands of
	RMB	RMB
OPERATING ACTIVITIES		
Profit before income tax	1,893,216	1,961,484
Adjustments for:		
Interest expenses	2,446,177	3,056,795
Interest income from deposits with financial institutions and financial assets held under resale agreements	(89,507)	(122,198)
Impairment losses recognised	1,507,491	1,524,906
Depreciation and amortisation	374,259	389,437
Gains on disposal of property and equipment	(17,497)	(40,875)
Foreign exchange losses, net	56,725	18,983
Net gains arising from financial assets at fair value through profit or loss and financial assets measured at amortised cost	(15,158)	(60,597)
Unrealised fair value changes	(163,043)	(113,297)
Operating cash flows before movements in working capital	5,992,663	6,614,638
Decrease in finance lease receivables	2,819,342	3,827,919
(Increase)/decrease in receivables arising from sale and leaseback arrangements	(1,350,649)	3,464,810
(Increase)/decrease in accounts receivable	(833)	31,612
Decrease in other assets	417,949	415,432
Decrease in accrued staff costs	(38,296)	(92,654)
Increase/(decrease) in accounts payable	11,362	(15,088)
Decrease in other liabilities	(1,292,438)	(757,362)
Cash generated from operations	6,559,100	13,489,307
Income taxes paid, net	(554,469)	(625,970)
Interest received from deposits with financial institutions	87,671	122,198
NET CASH GENERATED FROM OPERATING ACTIVITIES	6,092,302	12,985,535

The notes on pages 148 to 252 are part of the consolidated financial statements.

Consolidated Statement of Cash Flows for the Year Ended December 31, 2025

	Notes	Year ended December 31	
		2025	2024
		thousands of RMB	thousands of RMB
INVESTING ACTIVITIES			
Proceeds on sale of financial assets held under resale agreements		5,941,836	5,698,277
Proceeds on sale of financial assets at fair value through profit or loss		19,906,000	14,294,666
Income received from financial investments		15,158	60,597
Disposal of property and equipment		223,042	196,203
Purchase of financial assets held under resale agreements		(5,940,000)	(5,498,229)
Purchase of financial assets at fair value through profit or loss		(19,956,000)	(13,681,000)
Purchase of property and equipment and intangible assets		(10,889)	(254,514)
NET CASH GENERATED FROM INVESTING ACTIVITIES		179,147	816,000
FINANCING ACTIVITIES			
Proceeds from issuance of other equity instruments		900,000	1,500,000
Proceeds from capital injection of the non-controlling investors		—	3,010
Proceeds from borrowings	38	29,498,309	21,622,150
Proceeds from issuance of bonds	38	24,675,785	20,736,052
Repayments of borrowings	38	(30,098,596)	(27,332,422)
Repayments of bonds	38	(26,625,194)	(25,629,189)
Redemption of other equity instruments		(1,000,000)	(2,470,000)
Repayments of lease liabilities	38	(19,692)	(21,941)
Payments for interest	38	(2,407,392)	(2,922,627)
Payments for the costs of borrowings	38	(42,091)	(53,131)
Payments for the costs of bonds issuance	38	(80,902)	(106,007)
Payments for the costs of other equity instruments issuance		(2,708)	(6,523)
Payments for distribution of other equity instruments	38	(87,289)	(148,036)
Payments for dividends	38	(675,295)	(700,001)
NET CASH USED IN FINANCING ACTIVITIES		(5,965,065)	(15,528,665)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		306,384	(1,727,130)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	37	6,642,743	8,374,051
Effect of foreign exchange rate changes		(2,561)	(4,178)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	37	6,946,566	6,642,743

The notes on pages 148 to 252 are part of the consolidated financial statements.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

1. GENERAL INFORMATION

Haitong Unitrust International Financial Leasing Co., Ltd. (海通恆信國際融資租賃股份有限公司) (the “Company”) was listed on The Stock Exchange of Hong Kong Limited on June 3, 2019. The registered office of the Company is located at No. 599 South Zhongshan Road, Huang Pu District, Shanghai, the People’s Republic of China (the “PRC”).

The approved business scope of the Company and its subsidiaries (collectively the “Group”) mainly includes the finance lease business, lease business, purchase of leased assets from both domestic and international suppliers, residual value disposal and maintenance of leased assets, advisory services and guarantee of lease transactions, commercial factoring business related to the main business and other services allowed by relevant laws and regulations.

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

2.1 Amendments to an IFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendment to an IFRS Accounting Standard as issued by the International Accounting Standards Board (“IASB”) for the first time, which are mandatorily effective for the Group’s annual period beginning on January 1, 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability
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The application of the amendments to an IFRS Accounting Standard 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.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS (CONTINUED)

2.2 New and amendments to IFRS Accounting Standards in issue but 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 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards — Volume 11 ²
IFRS 18	Presentation and Disclosure in Financial Statements ³
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency ³

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

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

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

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

IFRS 18 Presentation and Disclosure 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 January 1, 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.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Basis of consolidation (continued)

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interest.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 *Financial Instruments* or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less accumulated impairment losses, if any.

Non-current assets held for sale

Non-current assets (and disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Property and equipment

Property and equipment for use in the supply of services, or for administrative purposes (other than construction in progress as described below) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Construction in progress is carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of items of property and equipment (other than construction in progress) less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The estimated residual value rates and useful lives of each class of property and equipment, other than construction in progress, are as follows:

	Estimated residual value rates	Estimated useful lives
Electronic equipment	5%	3–5 years
Motor vehicles	5%	6 years
Office equipment	5%	3–5 years
Leasehold improvements	nil	3–5 years
Leasehold land and buildings	5%	30–35 years

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Property and equipment (continued)

Pursuant to the condition of aircraft at initial recognition, the estimated residual value rates and useful lives of the aircraft held for operating lease businesses are as follows:

	Estimated residual value rates	Estimated useful lives
Aircraft	15%	16–24 years

When aircraft with in-place leases are purchased, the Group identifies, measures and accounts for lease premium assets. Lease premium assets represent the value of acquired leases with contractual rent payments that are materially above the market lease rentals at the date of acquisition. Lease premium assets are amortised on a straight-line basis over the remaining lease term and recorded as a component of depreciation and amortisation and are presented under property and equipment.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Intangible assets (continued)

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

Impairment on property and equipment and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property and equipment and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property and equipment and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. The impairment loss is allocated on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Leases

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Non-lease components are separated from lease component on the basis of their relative stand-alone prices and are accounted for by applying other applicable standards.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of properties that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Right-of-use assets

The cost of right-of-use assets includes:

- the amounts of the initial measurement of the lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Leases (continued)

The Group as a lessee (continued)

Right-of-use assets (continued)

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate depends on the term, currency and start date of the lease and Loan Prime Rate.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Leases (continued)

The Group as a lessee (continued)

Lease liabilities (continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment;
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract is modified and the lease modification is not accounted for as a separate lease (see below for the accounting policy for “lease modifications”).

The Group presents lease liabilities within “borrowings”.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset.

When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Leases (continued)

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at commencement date at amounts equal to net investments in the leases, measured using the interest rate implicit in the respective leases. Initial direct costs (other than those incurred by manufacturer or dealer lessors) are included in the initial measurement of the net investments in the leases. Interest income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term.

Interest and rental income which are derived from the Group's ordinary course of business are presented as revenue.

Allocation of consideration to components of a contract

When a contract includes both leases and non-lease components, the Group applies IFRS 15 to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

Refundable rental deposits

Refundable rental deposits received are accounted for under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Leases (continued)

The Group as a lessor (continued)

Lease modification

Changes in considerations of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals.

(i) Operating leases

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

(ii) Finance leases

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a modification to a finance lease that is not accounted for as a separate lease, if the lease would have been classified as an operating lease had the modification been in effect at the inception date, the Group accounts for the lease modification as a new lease from the effective date of the modification; and measures the carrying amount of the underlying asset as the net investment in the lease immediately before the effective date of the lease modification. Otherwise, the Group accounts for the modification in accordance with the requirements of IFRS 9. If the change represents a substantial modification, the finance lease receivables of the original lease are derecognised and a derecognition gain or loss calculated using the revised lease payments discounted at the revised discount rate is recognised in profit or loss on the date of the modification. If the change does not represent a substantial modification, the Group continues to recognise the finance lease receivables in which such carrying amount will be calculated at the present value of the modified contractual cash flows discounted at the related receivables' original discount rate. Any adjustment to the carrying amount is recognised in profit or loss at the effective date of modification.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Leases (continued)

Sale and leaseback transactions

The Group applies the requirements of IFRS 15 *Revenue from Contracts with Customers* to assess whether sale and leaseback transaction constitutes a sale by the Group.

The Group as a buyer-lessor

For a transfer of asset that does not satisfy the requirements of IFRS 15 to be accounted for as a sale of asset, the Group as a buyer-lessor does not recognise the transferred asset and recognises a receivable arising from sale and leaseback arrangements equal to the transfer proceeds within the scope of IFRS 9.

For a transfer of asset that satisfies the requirements of IFRS 15 to be accounted for as a sale of asset, the Group as a buyer-lessor accounts for the purchase of the asset applying applicable standards, and for the lease applying the lessor accounting requirements in accordance with IFRS 16.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into RMB, which is the presentation currency of the Group, using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period or the exchange rates similar with the spot exchange rate on the date of the transaction. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the shareholders of the Company are reclassified to profit or loss.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Foreign currencies (continued)

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. For inventories for which revenue is recognised over time, the Group ceases to capitalise borrowing costs as soon as the properties are ready for the Group's intended sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under "other income, gains or losses".

Employee benefits

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Employee benefits (continued)

Short-term and other long-term employee benefits (continued)

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Social welfare

Social welfare expenditure refers to payments for employees' social welfare system established by the government of the PRC, including social pension insurance, health care insurance, housing funds and other social welfare contributions. The Group contributes on a regular basis to these funds based on certain percentage of the employees' salaries and the contributions are recognised in profit or loss for the period when employees have rendered service entitling them to the contribution.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit/(loss) before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Taxation (continued)

Deferred tax (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 *Income Taxes* requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities results in net deductible temporary differences.

Current and deferred tax for the year

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Taxation (continued)

Current and deferred tax for the year (continued)

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest which are derived from the Group's ordinary course of business are presented as revenue.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 *Business Combinations* applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that is required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the “net investment gains/(losses)” line item.

Impairment of financial assets and other items subject to impairment assessment under IFRS 9

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets including cash and bank balances, receivables arising from sale and leaseback arrangements, accounts receivable and other financial assets, and other items including finance lease receivables which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument (referred to as Stage 2 and Stage 3). In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date (referred to as Stage 1). Assessments are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of past events and current conditions at the reporting date as well as the forecast of future economic conditions.

The Group always recognises lifetime ECL for accounts receivable. The ECL on these assets are assessed individually for debtors with significant balances and collectively using a provision matrix with appropriate groupings.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under IFRS 9 (continued)

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Definition of credit-impaired and default financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the borrower or issuer;
- (b) the contractual payments are past due more than 90 days;
- (c) the borrower is unlikely to pay its credit obligations to the Group in full;
- (d) the disappearance of an active market for that financial asset because of financial difficulties; or
- (e) other objective evidences of credit-impairment.

When assessing the likelihood of the borrower to pay its credit obligation, the Group takes into account both qualitative and quantitative indicators. Qualitative indicators, such as the breach of covenants, and quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Group uses a variety of sources of information to assess credit-impairment which are either developed internally or obtained from external sources.

It may not be possible to identify a single discrete event. Instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Group assesses whether financial assets that are measured at amortised cost are credit-impaired at each reporting date.

In general, the Group considers a financial asset is in default, when it is credit-impaired.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Significant increase in credit risk

The Group monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group will measure the loss allowance based on lifetime ECL rather than 12m ECL. The Group's accounting policy is to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Group monitors all financial assets that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- the contractual payments are past due more than 30 days;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Significant increase in credit risk (continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on receivables using a provision matrix taking into consideration historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and forward looking information, including time value of money where appropriate, that is available without undue cost or effort. The parameters and assumptions involved in ECL model are described below:

- (i) Exposure at Default (EAD): EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months or over the remaining lifetime.
- (ii) Probabilities of Default (PD): The PD refers to estimated value of the likelihood that default will occur within certain period, which is estimated at a certain time point.
- (iii) Loss given Default (LGD): LGD refers to estimated value of loss resulting from default, which is based on the gap between due contractual cash flows and the Group's expected amount received, with the consideration of collateral's expected future cash flows receivable.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. For a finance lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Measurement and recognition of ECL (continued)

Lifetime ECL for certain finance lease receivables, receivables arising from sale and leaseback arrangements, accounts receivable and other financial assets are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- past-due status;
- nature, size and industry of debtors; and
- external credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

For credit-impaired financial assets with individual amount that are relatively significant, expected credit losses are measured as the differences between the present value of estimated cash flows discounted at the original effective interest rate and the asset's gross carrying amount.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets (continued)

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain or loss previously recognised in other comprehensive income is not subsequently reclassified to profit or loss, but is transferred to retained profits.

As part of its operational activities, the Group securitises financial assets, generally through the sale of these assets to structured entities which issue securities to investors. Interests in the securitised financial assets may be retained in the form of senior or junior tranches, or other residual interests (retained interests). When applying the policies on securitised financial assets, the Group has considered both the degree of transfer of risks and rewards on the transferred financial assets and the degree of control exercised by the Group over the transferred financial assets:

- when the Group transfers substantially all the risks and rewards of ownership of the financial assets, the Group shall derecognise the financial assets;
- when the Group retains substantially all the risks and rewards of ownership of the financial assets, the Group shall continue to recognise the financial assets; and
- when the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial assets, the Group would determine whether it has retained control of the financial assets. If the Group has not retained control, it shall derecognise the financial assets and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the Group has retained control, it shall continue to recognise the financial assets to the extent of its continuing involvement in the financial assets.

When a securitisation of financial assets does not qualify for derecognition, the relevant financial assets are not derecognised, and the consideration collected from third parties is recorded as a financial liability.

When the securitisation results in derecognition or partial derecognition of financial assets, the Group allocates the carrying amount of the transferred financial assets between the financial assets derecognised and the retained interests based on their relative fair values at the date of the transfer. Gains or losses on securitisation, which is the difference between the consideration received and the allocated carrying amount of the financial assets derecognised, are recorded in "gain or loss from derecognition of financial assets measured at amortised cost". The retained interests continue to be recognised on the same basis before the securitisation.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, direct issue costs are deducted from equity.

Perpetual instruments, which include no contractual obligation for the Group to deliver cash or other financial assets or the Group has the sole discretion to defer payment of distribution and redemption of principal amount indefinitely are classified as equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which IFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities at FVTPL (continued)

Financial liabilities designated as at FVTPL are designated at the date of initial recognition and only if the criteria in IFRS 9 are satisfied.

No financial liability is designated as at FVTPL by the Group.

Financial liabilities at amortised cost

Financial liabilities including borrowings, accounts payable, bonds payable, bank acceptance bills and other payables are subsequently measured at amortised cost, using the effective interest method.

Derecognition/modification of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the contractual terms of a financial liability are modified, the Group assesses whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. Accordingly, such modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10 percent.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

All derivatives are recognised as assets when the fair value is positive and as liabilities when the fair value is negative.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount is presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Hedge accounting

The Group designates certain derivatives as hedging instruments for cash flow hedges.

At the inception of the hedging relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Assessment of hedging relationship and effectiveness

For hedge effectiveness assessment, the Group considers whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Hedge accounting (continued)

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualified as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'net investment gains/(losses)' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in the hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

Discontinuation of hedge accounting

The Group discontinues hedge accounting prospectively only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. Discontinuing hedge accounting can either affect a hedging relationship in its entirety or only a part of it (in which case hedge accounting continues for the remainder of the hedging relationship).

For cash flow hedge, any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transactions is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Revenue recognition

The Group recognises revenue to depict the transfer of promised services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. A 5-step approach to revenue recognition is applied:

- Step 1: Identify the contract(s) with a customer;
- Step 2: Identify the performance obligations in the contract;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations in the contract;
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a service (or a bundle of services) that is distinct or a series of distinct services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct service.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policy information (continued)

Revenue recognition (continued)

A contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with IFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

The Group recognises revenue from the following major sources:

(i) Finance lease income

The Group's accounting policy for recognition of revenue from finance leases is described in the accounting policy for leases above.

(ii) Interest income from sale and leaseback arrangements

Interest income from sale and leaseback arrangements are recognised as revenue in each period using the effective interest method during the terms of the contract.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income from a financial asset is accrued on a timely basis using the effective interest method, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(iii) Rental income from operating leases

The Group's accounting policy for recognition of revenue from operating leases is described in the accounting policy for leases above.

(iv) Service fee income

Service fee income is from contracts with customers and recognised at a point in time when the services are completed under the terms of each service engagement and the revenue can be measured reliably, since only by that time the Group has a present right to collect payments from the customers for the service performed.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3.2, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies

The followings are the critical judgments, apart from those estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Classification of leases

The Group has entered into certain lease businesses whereby the Group has determined that it has transferred substantially all the risks and rewards incidental to ownership of the assets held for lease businesses to the lessees, as at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset. Accordingly, the Group has excluded the assets held for lease businesses under such leases from its consolidated statement of financial position and instead recognised finance lease receivables and receivables arising from sale and leaseback arrangements as disclosed in Notes 19 and 20. Otherwise the Group includes the assets held for lease businesses under operating lease in property and equipment. The determination of whether the Group has transferred substantially all the risks and rewards incidental to ownership depends on an assessment of the relevant arrangements relating to the lease, which involved critical judgments by management.

Classification of financial assets

One important consideration in classification and measurement of financial assets is the result of business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of finance lease receivables and receivables arising from sale and leaseback arrangements

The Group reviews its finance lease receivables and receivables arising from sale and leaseback arrangements to assess impairment on a regular basis. The methodologies and assumptions used in estimating the ECL are reviewed regularly. This includes the selection of models, inputs and determination of whether the credit risk of an asset has significantly increased by taking into account forward looking information. The impairment provision of ECL is sensitive to changes in estimates which involve high degree of judgment and uncertainty.

Impairment of equipment held for operating lease business

The Group's equipment held for operating lease business is aircraft. In determining whether the aircraft are impaired, the Group has to exercise judgment and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, the recoverable amount is the higher of the net amount of assets' fair value minus the cost of disposal, and the estimated value in use, and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections, appropriate discount rate and the fair value. Changing the assumptions and estimates, could materially affect the recoverable amounts. Furthermore, the cash flows projections, discount rate and fair value are subject to greater uncertainties due to uncertainty on how the external circumstances may progress and evolve.

Fair value of financial assets

The Group uses valuation techniques to estimate the fair value of financial assets which are not quoted in an active market. These valuation techniques include the use of recent transaction prices, discounted cash flow analysis, etc. To the extent practical, market observable inputs and data are used when estimating fair value through a valuation technique. Where market observable inputs are not available, they are estimated using assumptions that are calibrated as closely as possible to market observable data. However, areas such as the credit risk of the Group and the counterparty, volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the estimated fair value of financial assets.

Income taxes

There are certain transactions and activities for which the ultimate tax determination is subject to the final approval of annual tax return the group entities file with relevant tax authorities. Where the final tax outcome of these matters is different from the amounts that were initially estimated, such differences will impact the current income tax and deferred income tax in the period during which such a determination is made.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

5. REVENUE AND SEGMENT INFORMATION

	Year ended December 31	
	2025	2024
	thousands of	thousands of
	RMB	RMB
Finance lease income (Note i)	1,053,894	1,374,950
Interest income from sale and leaseback arrangements (Note ii)	4,909,669	4,801,898
Operating lease income	598,143	693,916
Service fee income (Note iii)	258,073	266,859
Other interest income	36	1,619
Total	6,819,815	7,139,242

Notes:

- (i) The Group has no variable lease payments which is not included in the measurement of finance lease receivables for the years ended December 31, 2025 and 2024.
- (ii) The interest income from sale and leaseback arrangements is interest revenue calculated using the effective interest method.
- (iii) Service fee income is from contracts with customers and recognised at a point in time when the services are completed under the terms of each service agreement and the revenue can be measured reliably, since only by that time the Group has a present right to charge the customers for the service performed. The Group mainly offers various consulting services to customers. The scope of services usually covers management consulting services for suppliers, industrial chains supporting services, operation and maintenance management consulting services for enterprises, support services for enterprises' digital transformation and other type of consulting services.

Segment reporting

The management of the Company has determined that the Group has only one operating and reportable segment throughout the reporting period. The management of the Company reviews the consolidated statement of financial position and results of the Group as a whole for the purposes of allocating resources and assessing performance of the Group.

Geographical information

The Group's revenue from external customers is derived mainly from its operations and services rendered in the PRC, and non-current assets of the Group are mainly located in the PRC.

Information about major customers

During the years ended December 31, 2025 and 2024, there was no revenue from transactions with a single external customer amounting to 10% or more of the Group's total revenue.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

6. NET INVESTMENT GAINS

	Year ended December 31	
	2025	2024
	thousands of	thousands of
	RMB	RMB
Net gains arising from financial assets at fair value through profit or loss (Note)	94,712	166,710
Net gains arising from derivative financial instruments	83,581	1,209
Other	25,263	—
Total	203,556	167,919

Note: For the year ended December 31, 2025, the Group had no net gains from funds managed by HFT Investment Management Co., Ltd. (2024: RMB110 thousand).

7. OTHER INCOME, GAINS OR LOSSES

	Year ended December 31	
	2025	2024
	thousands of	thousands of
	RMB	RMB
Government grants (Note i)	126,520	216,378
Interest income from deposits with financial institutions	87,671	122,198
Interest income from long-term receivables from public-private partnership projects	46,082	67,123
Interest income from asset-backed securities	4,617	17,717
Interest income from financial assets held under resale agreements	1,836	1,692
(Losses)/gains on disposal of finance lease assets	(7,158)	4,397
Foreign exchange losses, net	(56,725)	(18,983)
Income from government outsourcing business (Note ii)	—	964,165
Other	101,398	172,873
Total	304,241	1,547,560

Note i: Government grants primarily consist of preferential policy of the government for value-added tax and fiscal support that local governments offer to enterprises in financial leasing industry, etc.

Note ii: For the year ended December 31, 2024, the Group recognised relevant income from government outsourcing business and costs relating to government outsourcing business according to signed agreements, information on the costs refer to Note 11.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

8. DEPRECIATION AND AMORTISATION

	Year ended December 31	
	2025	2024
	thousands of	thousands of
	RMB	RMB
Depreciation of property and equipment	334,039	351,182
Depreciation of right-of-use assets	18,892	22,267
Amortisation of intangible assets	21,328	15,988
Total	374,259	389,437

9. STAFF COSTS

	Year ended December 31	
	2025	2024
	thousands of	thousands of
	RMB	RMB
Salaries, bonus and allowances	519,193	498,589
Social welfare	188,796	189,138
Other	33,007	35,236
Total	740,996	722,963

The domestic employees of the Group in the PRC participate in state-managed social welfare plans, including social pension insurance, health care insurance, housing funds and other social welfare contributions, operated by the relevant municipal and provincial governments. According to the relevant regulations, the premiums and welfare benefit contributions borne by the Group are calculated and paid to the relevant labor and social welfare authorities on a regular basis. These social security plans are defined contribution plans and contributions to the plans are expensed as incurred. Apart from participating in various defined contribution retirement benefit plans organised by municipal and provincial governments in Mainland China, the Group is also required to make monthly contributions to annuity plans at fixed rates of the employees' salary and bonus for the period. These pension plans constitute defined contribution plans. The Group's contributions to these pension plans are charged to profit or loss in the period to which they related. There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

10. INTEREST EXPENSES

	Year ended December 31	
	2025	2024
	thousands of RMB	thousands of RMB
Interest on liabilities:		
Bank and other borrowings	1,296,012	1,624,501
Bonds payable	1,149,209	1,431,027
Lease liabilities	956	1,267
Total	2,446,177	3,056,795

11. OTHER OPERATING EXPENSES

	Year ended December 31	
	2025	2024
	thousands of RMB	thousands of RMB
Advisory expenses	62,760	66,195
Business traveling expenses	58,189	68,038
Expenses related to asset management	56,912	73,614
Tax and surcharges	55,492	46,811
Electronic equipment operational expenses	42,446	13,804
Property management expenses	13,497	13,658
Administrative expenses	12,940	18,041
Bank charges	7,596	8,444
Communication expenses	7,013	7,984
Short-term lease expenses	4,931	2,256
Business development expenses	3,918	6,014
Auditor's fee	3,223	4,265
Costs relating to government outsourcing business (Note 7)	—	835,408
Other	36,556	34,604
Total	365,473	1,199,136

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

12. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL

	Year ended December 31	
	2025	2024
	thousands of RMB	thousands of RMB
Impairment losses recognised/(reversed) on:		
– finance lease receivables	428,064	564,213
– receivables arising from sale and leaseback arrangements	1,023,975	859,295
– accounts receivable	2,740	7,194
– bank balances	55	73
– financial assets held under resale agreements	—	(650)
– other assets	43,485	82,073
Total	1,498,319	1,512,198

13. INCOME TAX EXPENSES

	Year ended December 31	
	2025	2024
	thousands of RMB	thousands of RMB
Current tax:		
– PRC Enterprise Income Tax	606,523	431,717
– Hong Kong Profit Tax	22,028	10,957
– Other jurisdictions	1,644	12,481
Sub-total	630,195	455,155
Deferred tax	(161,748)	(6,568)
Total	468,447	448,587

Under the Enterprise Income Tax Law of the PRC (the “EIT Law”) and the Regulation on the Implementation of the EIT Law, the tax rate of the Company and the domestic subsidiaries of the Group in the PRC is 25%. Taxation relating to group entities located in Ireland is calculated at the prevailing rate of 12.5% or 25.0%, and taxation relating to group entities located in Hong Kong is calculated at the prevailing rate of 16.5% or 8.25%.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

13. INCOME TAX EXPENSES (CONTINUED)

The reconciliation between the income tax expense at the statutory tax rate of 25% and the effective tax rate is as follows:

	Year ended December 31	
	2025	2024
	thousands of RMB	thousands of RMB
Profit before income tax	1,893,216	1,961,484
Tax at the statutory tax rate of 25%	473,304	490,371
Tax effect of expenses not deductible for tax purpose	40,563	5,563
Tax effect of income not taxable and exemptions for tax purpose	(4,446)	(4,564)
Effect of different tax rates of subsidiaries	(40,974)	(42,783)
Income tax expense for the year	468,447	448,587

14. EARNINGS PER SHARE

	Year ended December 31	
	2025	2024
	thousands of RMB	thousands of RMB
Earnings for the purpose of basic and diluted earnings per share:		
Profit for the year attributable to ordinary shareholders of the Company	1,344,729	1,392,850
Weighted average number of shares for basic earnings per share (in '000)	8,235,300	8,235,300
Weighted average number of shares for diluted earnings per share (in '000)	N/A	N/A
Basic earnings per share (Expressed in RMB Yuan per share)	0.16	0.17
Diluted earnings per share (Expressed in RMB Yuan per share)	N/A	N/A

No diluted earnings per share for the years ended December 31, 2025 and 2024 were presented as there were no potential ordinary shares in issue for the years.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

15. DIVIDENDS

Subsequent to the end of the reporting period, based on 8,235,300,000 ordinary shares, the Board of Directors of the Company declared a cash dividend of RMB0.43 per 10 shares (tax inclusive) in respect of the year ended December 31, 2025 (the final dividend), in an aggregate amount of RMB354,117,900.00 (tax inclusive), which is subject to approval by the shareholders in the 2025 annual general meeting to be held by the Company (2024 final dividend in an aggregate amount of RMB329,412,000.00 (tax inclusive) was recognised and paid in 2025).

The interim cash dividend in respect of the six months ended June 30, 2025 was RMB0.42 per 10 shares (tax inclusive), in an aggregate amount of RMB345,882,600.00 (tax inclusive) recognised in current year (2024 interim dividend: RMB354,117,900.00 (tax inclusive)).

16. PROPERTY AND EQUIPMENT

	December 31, 2025	December 31, 2024
	thousands of	thousands of
	RMB	RMB
Equipment held for operating lease business	4,524,642	5,034,167
Property and equipment held for administrative purpose	1,663,089	1,722,513
Others	88,952	163,254
Total	6,276,683	6,919,934

As at December 31, 2025, the net carrying amount of the Group's property and equipment secured as collateral for the Group's bank borrowings amounted to RMB5,850,180 thousand (December 31, 2024: RMB5,723,935 thousand).

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

16. PROPERTY AND EQUIPMENT (CONTINUED)

16a. Equipment held for operating lease business

The Group leases out a number of aircraft under operating leases. The leases typically run for a period of 56 to 202 months.

	Aircraft thousands of RMB
Cost	
As at December 31, 2024	6,352,501
Disposals	(188,449)
Exchange differences	(137,862)
As at December 31, 2025	6,026,190
Accumulated depreciation and impairment	
As at December 31, 2024	1,318,334
Depreciation charged for the year	225,173
Eliminated on disposals	(9,466)
Exchange differences	(32,493)
As at December 31, 2025	1,501,548
Net carrying amount	
As at December 31, 2024	5,034,167
As at December 31, 2025	4,524,642

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

16. PROPERTY AND EQUIPMENT (CONTINUED)

16a. Equipment held for operating lease business (continued)

	Aircraft thousands of RMB
Cost	
As at December 31, 2023	6,278,279
Additions	188,058
Disposals	(208,950)
Exchange differences	95,114
As at December 31, 2024	6,352,501
Accumulated depreciation and impairment	
As at December 31, 2023	1,121,720
Depreciation charged for the year	231,691
Eliminated on disposals	(54,148)
Exchange differences	19,071
As at December 31, 2024	1,318,334
Net carrying amount	
As at December 31, 2023	5,156,559
As at December 31, 2024	5,034,167

Impairment assessment

As at December 31, 2025, the management of the Group conducted impairment assessment on aircraft held for operating lease business with gross carrying amount, net of accumulated depreciation, of RMB4,575,642 thousand (December 31, 2024: RMB5,086,325 thousand). The recoverable amounts of these aircraft held for operating lease business are estimated individually.

The recoverable amounts of the aircraft held for operating lease business have been determined based on the higher of its value in use and fair value less costs of disposal. Value in use is determined as the total discounted cash flows expected to be generated by an aircraft in the future. The estimated cash flows are discounted to their present value by using a pre-tax discount rate that reflects current market assumptions of the time value of money and the risks specific to the asset. Fair value less costs to sell are determined by the Group based on the most relevant observable information from independent appraisal firms. In cases where the carrying value of the aircraft exceeded the higher of value in use and fair value less costs to sell, an impairment charge was recognised.

As a result of the review, no impairment of the relevant aircraft had been recognised in profit or loss for the year ended December 31, 2025 (2024: nil). As at December 31, 2025, the impairment allowance of the aircrafts held for operating lease is RMB51,000 thousand (December 31, 2024: RMB52,158 thousand).

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

16. PROPERTY AND EQUIPMENT (CONTINUED)

16b. Property and equipment held for administrative purpose

	Motor vehicles thousands of RMB	Electronic equipment thousands of RMB	Office equipment thousands of RMB	Leasehold land and buildings thousands of RMB	Leasehold improvements thousands of RMB	Construction in progress thousands of RMB	Total thousands of RMB
Cost							
As at December 31, 2024	7,411	45,107	13,697	1,819,062	117,273	7,921	2,010,471
Additions	515	1,937	290	(543)	2,572	2,440	7,211
Transfer	—	6	20	—	2,052	(5,347)	(3,269)
Disposals	(234)	(154)	(403)	—	(33)	—	(824)
Exchange differences	—	(4)	(2)	—	(8)	—	(14)
As at December 31, 2025	7,692	46,892	13,602	1,818,519	121,856	5,014	2,013,575
Accumulated depreciation							
As at December 31, 2024	6,094	34,322	10,531	127,344	109,667	—	287,958
Depreciation charged for the year	411	5,015	1,374	49,710	6,786	—	63,296
Eliminated on disposals	(222)	(142)	(367)	—	(25)	—	(756)
Exchange differences	—	(3)	(1)	—	(8)	—	(12)
As at December 31, 2025	6,283	39,192	11,537	177,054	116,420	—	350,486
Net carrying amount							
As at December 31, 2024	1,317	10,785	3,166	1,691,718	7,606	7,921	1,722,513
As at December 31, 2025	1,409	7,700	2,065	1,641,465	5,436	5,014	1,663,089
Cost							
As at December 31, 2023	7,411	44,197	14,236	1,819,062	115,665	21,317	2,021,888
Additions	—	2,956	326	—	1,366	21,992	26,640
Transfer	—	—	20	—	1,420	(35,388)	(33,948)
Disposals	—	(2,049)	(887)	—	(1,186)	—	(4,122)
Exchange differences	—	3	2	—	8	—	13
As at December 31, 2024	7,411	45,107	13,697	1,819,062	117,273	7,921	2,010,471
Accumulated depreciation							
As at December 31, 2023	5,524	29,439	9,477	77,627	97,861	—	219,928
Depreciation charged for the year	570	6,813	1,869	49,717	12,906	—	71,875
Eliminated on disposals	—	(1,933)	(817)	—	(1,107)	—	(3,857)
Exchange differences	—	3	2	—	7	—	12
As at December 31, 2024	6,094	34,322	10,531	127,344	109,667	—	287,958
Net carrying amount							
As at December 31, 2023	1,887	14,758	4,759	1,741,435	17,804	21,317	1,801,960
As at December 31, 2024	1,317	10,785	3,166	1,691,718	7,606	7,921	1,722,513

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

17. RIGHT-OF-USE ASSETS

	Land and buildings thousands of RMB	Other thousands of RMB	Total thousands of RMB
Cost			
As at December 31, 2024	55,663	46	55,709
Additions	24,011	19	24,030
Disposals	(32,327)	(46)	(32,373)
Exchange differences	(124)	—	(124)
As at December 31, 2025	47,223	19	47,242
Accumulated depreciation			
As at December 31, 2024	31,509	43	31,552
Depreciation charged for the year	18,883	9	18,892
Eliminated on disposals	(32,157)	(46)	(32,203)
Exchange differences	(98)	—	(98)
As at December 31, 2025	18,137	6	18,143
Net carrying amount			
As at December 31, 2024	24,154	3	24,157
As at December 31, 2025	29,086	13	29,099
Cost			
As at December 31, 2023	68,316	367	68,683
Additions	17,466	—	17,466
Disposals	(30,228)	(321)	(30,549)
Exchange differences	109	—	109
As at December 31, 2024	55,663	46	55,709
Accumulated depreciation			
As at December 31, 2023	35,464	262	35,726
Depreciation charged for the year	22,170	97	22,267
Eliminated on disposals	(26,180)	(316)	(26,496)
Exchange differences	55	—	55
As at December 31, 2024	31,509	43	31,552
Net carrying amount			
As at December 31, 2023	32,852	105	32,957
As at December 31, 2024	24,154	3	24,157

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

17. RIGHT-OF-USE ASSETS (CONTINUED)

The Group leases various land and buildings, vehicle and parking space for its operations. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

For the year ended December 31, 2025, expense relating to short-term leases amounted to RMB4,931 thousand (2024: RMB2,256 thousand). For the years ended December 31, 2025 and 2024, no expense was related to leases of low-value assets excluding short-term leases of low value assets.

As at December 31, 2025 and 2024, the portfolio of short-term leases was similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

For the year ended December 31, 2025, total cash outflow for leases amounted to RMB25,579 thousand (2024: RMB25,464 thousand).

In addition, lease liabilities of RMB28,274 thousand were recognised as at December 31, 2025 (December 31, 2024: RMB23,033 thousand) (Note 27). For the year ended December 31, 2025, the interest expenses of lease liabilities amounted to RMB956 thousand (2024: RMB1,267 thousand) (Note 10). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

As at December 31, 2025 and 2024, the Group did not enter into any lease that was not yet commenced.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

18. INTANGIBLE ASSETS

	Computer software and other thousands of RMB
Cost	
As at December 31, 2024	140,276
Additions	6,511
As at December 31, 2025	146,787
Accumulated amortisation	
As at December 31, 2024	60,824
Amortisation charged for the year	21,328
As at December 31, 2025	82,152
Carrying amount	
As at December 31, 2024	79,452
As at December 31, 2025	64,635
Cost	
As at December 31, 2023	102,163
Additions	38,162
Disposals	(49)
As at December 31, 2024	140,276
Accumulated amortisation	
As at December 31, 2023	44,885
Amortisation charged for the year	15,988
Eliminated on disposals	(49)
As at December 31, 2024	60,824
Carrying amount	
As at December 31, 2023	57,278
As at December 31, 2024	79,452

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

19. FINANCE LEASE RECEIVABLES

	December 31, 2025	December 31, 2024
	thousands of RMB	thousands of RMB
Minimum finance lease receivables		
– Within one year	6,023,313	8,135,325
– In the second year	3,916,282	4,657,855
– In the third year	2,010,455	2,511,172
– In the fourth year	1,245,481	1,233,892
– In the fifth year	847,545	729,881
– After five years	831,542	1,419,110
Gross amount of finance lease receivables	14,874,618	18,687,235
Less: Unearned finance lease income	(1,655,436)	(2,279,400)
Present value of minimum finance lease receivables	13,219,182	16,407,835
Less: Loss allowance	(966,275)	(907,522)
Carrying amount of finance lease receivables	12,252,907	15,500,313
Analysed as:		
Current	4,806,147	6,638,349
Non-current	7,446,760	8,861,964
Total	12,252,907	15,500,313

The Group entered into finance lease arrangements with leased assets for certain machinery equipment of advanced manufacturing, transportation & logistics industries, etc. Substantially all finance leases of the Company and its subsidiaries are denominated in RMB. The terms of finance leases entered into mainly range from one to twelve years. Finance lease receivables are secured over the underlying leasing assets. The Group is not permitted to sell or repledge the collateral in the absence of default by lessee.

As at December 31, 2025, the Group's finance lease receivables pledged as collateral for the Group's bank borrowings amounted to RMB235,303 thousand (December 31, 2024: RMB285,894 thousand).

The floating interest rates of finance lease receivables were with reference to the Loan Prime Rate ("LPR") and were adjusted periodically with reference to the LPR.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

19. FINANCE LEASE RECEIVABLES (CONTINUED)

Movements of loss allowance for finance lease receivables:

	Stage 1 12-months ECL thousands of RMB	Stage 2 Lifetime ECL not credit-impaired thousands of RMB	Stage 3 Lifetime ECL credit-impaired thousands of RMB	Total thousands of RMB
As at December 31, 2024	366,307	393,988	147,227	907,522
Changes in the loss allowance:				
– Transfer to Stage 1	164,688	(164,343)	(345)	–
– Transfer to Stage 2	(43,202)	45,592	(2,390)	–
– Transfer to Stage 3	(16,862)	(169,650)	186,512	–
– Recovery of finance lease receivables previously written off	–	–	107,053	107,053
– Write-offs	–	–	(316,012)	(316,012)
– Other derecognition and transfer out	–	–	(160,352)	(160,352)
– (Credit)/charge for the year	(149,890)	364,426	213,528	428,064
As at December 31, 2025	321,041	470,013	175,221	966,275
	Stage 1 12-months ECL thousands of RMB	Stage 2 Lifetime ECL not credit-impaired thousands of RMB	Stage 3 Lifetime ECL credit-impaired thousands of RMB	Total thousands of RMB
As at December 31, 2023	358,787	380,220	177,964	916,971
Changes in the loss allowance:				
– Transfer to Stage 1	23,181	(18,291)	(4,890)	–
– Transfer to Stage 2	(18,558)	19,349	(791)	–
– Transfer to Stage 3	(30,886)	(186,076)	216,962	–
– Recovery of finance lease receivables previously written off	–	–	98,841	98,841
– Write-offs	–	–	(440,621)	(440,621)
– Other derecognition and transfer out	–	–	(231,882)	(231,882)
– Charge for the year	33,783	198,786	331,644	564,213
As at December 31, 2024	366,307	393,988	147,227	907,522

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

19. FINANCE LEASE RECEIVABLES (CONTINUED)

Analysis of present value of minimum finance lease receivables:

	Stage 1 12-months ECL thousands of RMB	Stage 2 Lifetime ECL not credit-impaired thousands of RMB	Stage 3 Lifetime ECL credit-impaired thousands of RMB	Total thousands of RMB
As at December 31, 2025	10,986,267	1,930,781	302,134	13,219,182
As at December 31, 2024	14,846,675	1,294,190	266,970	16,407,835

20. RECEIVABLES ARISING FROM SALE AND LEASEBACK ARRANGEMENTS

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
— Within one year	43,656,620	41,947,976
— In the second year	26,331,780	25,768,602
— In the third year	9,745,629	12,330,435
— In the fourth year	1,682,353	2,399,209
— In the fifth year	1,098,610	890,173
— After five years	753,800	963,958
Gross amount of receivables arising from sale and leaseback arrangements	83,268,792	84,300,353
Less: Interest adjustment	(5,497,719)	(6,544,605)
Present value of receivables arising from sale and leaseback arrangements	77,771,073	77,755,748
Less: Loss allowance	(2,251,999)	(2,563,348)
Carrying amount of receivables arising from sale and leaseback arrangements	75,519,074	75,192,400
Analysed as:		
Current	39,465,713	37,252,858
Non-current	36,053,361	37,939,542
Total	75,519,074	75,192,400

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

20. RECEIVABLES ARISING FROM SALE AND LEASEBACK ARRANGEMENTS (CONTINUED)

The Group has engaged in asset transactions with peer leasing companies, where the leasing companies or the third parties assume the guarantee obligations. As at December 31, 2025, the carrying amount of such transaction assets amounted to RMB1,777,619 thousand.

As at December 31, 2025, the Group had no receivables arising from sale and leaseback arrangements pledged as collateral for the Group's bank borrowings (December 31, 2024: RMB158,504 thousand).

Receivables arising from sale and leaseback arrangements are secured over the underlying leasing assets. The Group is not permitted to sell or repledge the collateral in the absence of default by lessee.

Movements of loss allowance for receivables arising from sale and leaseback arrangements:

	Stage 1 12-months ECL thousands of RMB	Stage 2 Lifetime ECL not credit-impaired thousands of RMB	Stage 3 Lifetime ECL credit-impaired thousands of RMB	Total thousands of RMB
As at December 31, 2024	1,064,092	979,835	519,421	2,563,348
Changes in the loss allowance:				
– Transfer to Stage 1	63,267	(63,113)	(154)	–
– Transfer to Stage 2	(72,517)	78,704	(6,187)	–
– Transfer to Stage 3	(10,078)	(291,100)	301,178	–
– Recovery of receivables arising from sale and leaseback arrangements previously written-off	–	–	37,254	37,254
– Write-offs	–	–	(202,557)	(202,557)
– Other derecognition and transfer out	–	–	(1,170,000)	(1,170,000)
– (Credit)/charge for the year	(201,844)	238,103	987,716	1,023,975
– Exchange differences	(21)	–	–	(21)
As at December 31, 2025	842,899	942,429	466,671	2,251,999

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

20. RECEIVABLES ARISING FROM SALE AND LEASEBACK ARRANGEMENTS (CONTINUED)

	Stage 1 12-months ECL thousands of RMB	Stage 2 Lifetime ECL not credit-impaired thousands of RMB	Stage 3 Lifetime ECL credit-impaired thousands of RMB	Total thousands of RMB
As at December 31, 2023	1,003,946	658,069	211,539	1,873,554
Changes in the loss allowance:				
– Transfer to Stage 1	77,238	(76,927)	(311)	–
– Transfer to Stage 2	(41,344)	63,864	(22,520)	–
– Transfer to Stage 3	(10,971)	(54,323)	65,294	–
– Recovery of receivables arising from sale and leaseback arrangements previously written-off	–	–	4,375	4,375
– Write-offs	–	–	(115,819)	(115,819)
– Other derecognition and transfer out	–	–	(58,059)	(58,059)
– Charge for the year	35,221	389,152	434,922	859,295
– Exchange differences	2	–	–	2
As at December 31, 2024	1,064,092	979,835	519,421	2,563,348

Analysis of present value of receivables arising from sale and leaseback arrangements:

	Stage 1 12-months ECL thousands of RMB	Stage 2 Lifetime ECL not credit-impaired thousands of RMB	Stage 3 Lifetime ECL credit-impaired thousands of RMB	Total thousands of RMB
As at December 31, 2025	72,622,144	4,394,901	754,028	77,771,073
As at December 31, 2024	73,190,378	3,734,547	830,823	77,755,748

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

21. DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purposes:

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Deferred tax assets	2,018,116	1,858,802
Deferred tax liabilities	(13,423)	(17,430)
Total	2,004,693	1,841,372

The following are the major deferred tax assets/(liabilities) recognised and movements thereon during the current and prior years:

	Loss allowance thousands of RMB	Changes in fair value of derivatives thousands of RMB	Changes in fair value of financial assets at fair value through profit or loss thousands of RMB	Deductible tax losses thousands of RMB	Accelerated depreciation thousands of RMB	Other thousands of RMB	Total thousands of RMB
As at December 31, 2023	1,742,680	6,740	43,095	99,868	(81,076)	31,754	1,843,061
Credit/(Charge) to profit or loss	58,112	(151)	(28,882)	12,669	(17,899)	(17,281)	6,568
Charge to other comprehensive income	—	(8,292)	—	—	—	—	(8,292)
Exchange differences	75	—	1	1,260	(1,337)	36	35
As at December 31, 2024	1,800,867	(1,703)	14,214	113,797	(100,312)	14,509	1,841,372
Credit/(Charge) to profit or loss	211,750	—	(20,915)	(13,592)	16,020	(31,515)	161,748
Credit to other comprehensive income	—	1,758	—	—	—	—	1,758
Exchange differences	(107)	—	(36)	(1,994)	1,983	(31)	(185)
As at December 31, 2025	2,012,510	55	(6,737)	98,211	(82,309)	(17,037)	2,004,693

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

22. OTHER ASSETS

Non-current

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Long-term receivables from public-private partnership projects (Note)	1,248,635	1,363,352
Other long-term receivables	1,078,414	992,222
Foreclosed assets	60,112	60,112
Repossession of finance lease assets	49,780	114,896
Financial assets measured at amortised cost		
Prepayments on acquisition of property and equipment and intangible assets	1,219	58,361
	—	106
Other	65,796	68,368
Sub-total	2,503,956	2,657,417
Less: Expected credit loss allowance	(198,727)	(157,059)
Allowance for impairment losses	(63,251)	(85,979)
Total	2,241,978	2,414,379

Note: The Group provides financing services to local government-led infrastructure development and operation project participants through the public-private partnership model ("PPP Model"). The receivables from government-led projects under PPP Model are recognised in long-term receivables from public-private partnership projects and project payables are recognised in public-private partnership projects payables, please refer to Note 31.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

22. OTHER ASSETS (CONTINUED)

Current

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Other long-term receivables due within one year	471,979	210,451
Financial assets measured at amortised cost	172,982	451,579
Long-term receivables from public-private partnership projects due within one year	172,945	109,459
Value added tax (“VAT”) credit and other	77,317	89,272
Notes receivable	66,134	36,812
Prepayments	10,041	12,387
Deposits	6,736	7,171
Continuing involvement assets (Note 36)	—	121,996
Other	194,504	48,254
Sub-total	1,172,638	1,087,381
Less: Expected credit loss allowance	(72,507)	(70,695)
Total	1,100,131	1,016,686

22a. Movements of expected credit loss allowance for other assets are as follows:

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
At beginning of the year	227,754	378,654
Charged to profit or loss (Note 12)	43,485	82,073
Derecognition	—	(232,985)
Exchange differences	(5)	12
At end of the year	271,234	227,754

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

22. OTHER ASSETS (CONTINUED)

22b. Movements of allowance for impairment losses for other assets are as follows:

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
At beginning of the year	85,979	77,510
Charged to profit or loss	9,172	12,708
Derecognition	(31,900)	(4,239)
At end of the year	63,251	85,979

23. ACCOUNTS RECEIVABLE

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Accounts receivable from:		
– settlement of receivable and others	67,928	67,933
– operating lease	41,904	41,091
Sub-total	109,832	109,024
Less: Loss allowance	(43,505)	(40,790)
Total	66,327	68,234

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

23. ACCOUNTS RECEIVABLE (CONTINUED)

Analysed by aging as:

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Within one year	41,329	40,456
More than one year but not exceeding two years	—	—
More than two years but not exceeding three years	—	27,775
More than three years	24,998	3
Total	66,327	68,234

Movements of loss allowance for accounts receivable are as follows:

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
At beginning of the year	40,790	33,366
Charged to profit or loss (Note 12)	2,740	7,194
Recovery of accounts receivable previously written off	—	223
Exchange differences	(25)	7
At end of the year	43,505	40,790

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31, 2025	December 31, 2024
	thousands of RMB	thousands of RMB
Measured at fair value:		
Equity instruments	590,285	492,924
Wealth management products	100,004	150,000
Trust plans	102,582	—
Total	792,871	642,924
Analysed as:		
Unlisted	219,409	161,652
Listed	573,462	481,272
Analysed as:		
Current	776,048	631,272
Non-current	16,823	11,652
Total	792,871	642,924

25. DERIVATIVE FINANCIAL INSTRUMENTS

	December 31, 2025		
	Nominal Amount	Assets	Liabilities
	thousands of RMB	thousands of RMB	thousands of RMB
<i>Derivatives under hedge accounting:</i>			
Interest rate swaps (“IRS”)	247,089	36	(960)
Currency forwards	13,442	—	(1,891)
Total	260,531	36	(2,851)

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

	December 31, 2024		
	Nominal Amount	Assets	Liabilities
	thousands of RMB	thousands of RMB	thousands of RMB
<i>Derivatives under hedge accounting:</i>			
Interest rate swaps (“IRS”)	1,297,161	22,664	—
Cross currency interest rate swaps	547,027	73,765	—
Currency forwards	240,175	—	(23,419)
Total	2,084,363	96,429	(23,419)

As at December 31, 2025, fixed interest rates for USD IRS ranged from 1.3700% to 4.7800% (December 31, 2024: from 1.3700% to 4.3650%).

As at December 31, 2025, currency forwards with forward exchange rates of buying JPY and selling RMB ranged from 0.050773 to 0.050807 (December 31, 2024: from 0.049578 to 0.054553).

As at December 31, 2025, there was no cross currency interest rate swaps (as at December 31, 2024, cross currency interest rate swaps with fixed interest rates for HKD IRS ranged from 4.2500% to 4.3000%, and with forward exchange rates of buying HKD and selling RMB ranged from 0.8105 to 0.8138).

Cash flow hedges

For the year ended December 31, 2025, the Group used interest rate swaps and currency forwards to hedge against exposures to cash flow variability primarily from interest rate and foreign exchange risks of borrowings.

For the year ended December 31, 2025, the Group's net loss after considering the impact of income tax from the cash flow hedges recognised in other comprehensive income was RMB94,067 thousand (2024: net loss of RMB5,854 thousand). Gains or losses arising from ineffective portion of cash flow hedge were immaterial. There were no transactions for which cash flow hedge accounting had to be ceased as a result of the highly probable cash flows no longer being expected to occur.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

26. CASH AND BANK BALANCES

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Cash and bank balances	6,946,566	6,642,743
Restricted bank deposits (Note)	447,618	840,464
Less: Loss allowance	(191)	(137)
Total	7,393,993	7,483,070

Note: This represents deposits held by the Group that were pledged mainly relating to bank acceptance bills and aircraft maintenance funds as at December 31, 2025 and 2024, and were restricted for use.

27. BORROWINGS

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Bank borrowings	39,273,084	39,895,805
Interest payable	167,459	195,633
Lease liabilities	28,274	23,033
Total	39,468,817	40,114,471
Analysed as:		
Current	18,563,031	23,884,671
Non-current	20,905,786	16,229,800
Total	39,468,817	40,114,471

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

27. BORROWINGS (CONTINUED)

27a. Bank borrowings

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Unsecured and unguaranteed borrowings	36,581,132	36,061,415
Secured borrowings	2,691,952	3,834,390
Total	39,273,084	39,895,805
Analysed as:		
Current	18,381,976	23,675,049
Non-current	20,891,108	16,220,756
Total	39,273,084	39,895,805

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Carrying amount repayable:		
Within one year	18,381,976	23,675,049
More than one year but not exceeding two years	12,730,023	9,659,846
More than two years but not exceeding five years	7,669,836	5,904,630
More than five years	491,249	656,280
Total	39,273,084	39,895,805

The secured borrowings were pledged by finance lease receivables, receivables arising from sale and leaseback arrangements and the Company's equity interests in certain subsidiaries, and were secured by property and equipment. Please refer to Notes 16, 19 and 20 for details.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

27. BORROWINGS (CONTINUED)

27a. Bank borrowings (continued)

The ranges of contractual interest rate on the Group's bank borrowings are as follows:

	December 31, 2025	December 31, 2024
Contractual interest rate:		
Fixed-rate borrowings	0.10% to 4.50%	0.10% to 3.90%
Floating-rate borrowings	LPR Plus -1.30% to 0.25%	LPR Plus -1.10% to 0.70%
	Secured Overnight Financing Rate ("SOFR") Plus 1.18% to 1.66%	Secured Overnight Financing Rate ("SOFR") Plus 1.18% to 1.76%
	Shanghai Interbank Offered Rate ("SHIBOR") Plus 1.00%	

27b. Lease liabilities

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Carrying amount repayable:		
Within one year	13,596	13,989
More than one year but not exceeding two years	11,183	5,074
More than two years but not exceeding five years	3,495	3,970
Total	28,274	23,033
Amount due for settlement within 12 months shown under current liabilities	13,596	13,989
Amount due for settlement after 12 months shown under non-current liabilities	14,678	9,044

For the year ended December 31, 2025, the discount rates applied to lease liabilities recognized during the year ranged from 3.50% to 3.60% (2024: from 3.85% to 4.20%).

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

28. ACCRUED STAFF COSTS

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Salaries, bonus and allowances and others	183,339	221,635
Total	183,339	221,635

29. ACCOUNTS PAYABLE

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Accounts payable for acquisition of leasing equipment	273,308	261,946
Analysed by aging as:		
Within 90 days	254,062	139,171
More than 90 days	19,246	122,775
Total	273,308	261,946

30. BONDS PAYABLE

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Analysed as:		
Current	18,485,533	23,492,068
Non-current	20,099,541	17,077,301
Total	38,585,074	40,569,369

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

30. BONDS PAYABLE (CONTINUED)

30a. Bonds payable analysed by nature

	December 31, 2025	December 31, 2024
	thousands of RMB	thousands of RMB
Medium-term notes (Note i)	13,979,343	13,416,952
Corporate bonds (Note ii)	11,285,709	11,832,372
Asset-backed securities (Note iii)	7,310,100	10,044,851
Ultra-short-term commercial papers (Note iv)	2,999,567	2,799,246
Short-term commercial papers (Note v)	2,598,939	1,999,352
Interest payable	411,416	476,596
Total	38,585,074	40,569,369

Notes:

(i) Medium-term notes

Issue Date	Outstanding principal amount	Coupon rate	Term
	RMB'million		
February 21, 2023	1,000	4.20%	3 years
June 2, 2023	1,000	3.81%	3 years
August 22, 2023	1,000	3.46%	3 years
March 4, 2024	1,000	2.80%	3 years
March 19, 2024	1,000	3.65%	3 years
April 11, 2024	1,000	2.60%	5 years (3+2)
November 4, 2024	1,000	2.49%	5 years (3+2)
December 2, 2024	1,000	2.25%	5 years (3+2)
January 6, 2025	800	1.92%	5 years (3+2)
March 13, 2025	1,000	3.00%	3 years
April 17, 2025	1,000	2.22%	5 years (3+2)
May 21, 2025	1,000	2.15%	5 years (3+2)
August 4, 2025	1,200	2.00%	5 years (3+2)
December 9, 2025	1,000	2.20%	5 years (3+2)

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

30. BONDS PAYABLE (CONTINUED)

30a. Bonds payable analysed by nature (continued)

Notes (continued):

(ii) Corporate bonds

Issue Date	Outstanding principal amount	Coupon rate	Term
	RMB' million		
April 13, 2023	1,000	3.90%	3 years
June 20, 2023	1,000	3.80%	5 years (3+2)
July 21, 2023	1,000	3.63%	5 years (3+2)
October 20, 2023 ^(Note)	1,000	2.06%	4 years
January 11, 2024	1,000	3.03%	4 years (2+2)
May 16, 2024	1,000	2.48%	5 years (3+2)
June 21, 2024	1,000	2.29%	5 years (3+2)
July 26, 2024	500	2.28%	5 years
August 22, 2024	1,000	2.20%	5 years (3+2)
June 17, 2025	800	2.09%	5 years (3+2)
September 12, 2025	1,000	2.23%	5 years (3+2)
November 11, 2025	1,000	2.09%	5 years (3+2)

Note: On September 18, 2025, the Company announced that the coupon rate would be adjusted to 2.06% with effect from October 24, 2025. During the put option registration period, bondholders elected, through the auction trading system or the Integrated Electronic Platform for Fixed Income Securities of the Shanghai Stock Exchange, to continue holding bonds in the amount of RMB40 million and to sell back bonds in the amount of RMB960 million to the Company. The Company resolved to re-sell the bonds so sold back, and completed the resale of the full amount of RMB960 million in accordance with the relevant regulations during the period from October 27, 2025 to November 10, 2025. The exercise of the option clause had no impact on the interests of investors.

(iii) Asset-backed securities

Issue Date	Outstanding principal amount	Coupon rate	Term
	RMB' million		
August 8, 2023	Senior: 58; Junior: 50	Senior: 3.30%	Senior: 32 months; Junior: 47 months
November 3, 2023	Senior: 62; Junior: 50	Senior: 3.50%	Senior: 30 months; Junior: 57 months
December 22, 2023	Senior: 232; Junior: 73	Senior: 3.40% and 3.60%	Senior: 35 months; Junior: 53 months
May 28, 2024	Senior: 142; Junior: 50	Senior: 2.38% and 2.39%	Senior: 30 months; Junior: 30 months
September 11, 2024	Senior: 382; Junior: 50	Senior: 2.19% and 2.29%	Senior: 28 months; Junior: 40 months
November 18, 2024	Senior: 322; Junior: 50	Senior: 2.30% and 2.50%	Senior: 27 months; Junior: 57 months
December 24, 2024	Senior: 349; Junior: 50	Senior: 2.19% and 2.50%	Senior: 32 months; Junior: 95 months
January 10, 2025	Senior: 81; Junior: 25	Senior: 2.10%	Senior: 20 months; Junior: 59 months
April 22, 2025	Senior: 970; Junior: 75	Senior: 2.00%, 2.20% and 2.40%	Senior: 28 months; Junior: 34 months
June 5, 2025	Senior: 705; Junior: 60	Senior: 1.83%, 2.00% and 2.20%	Senior: 34 months; Junior: 85 months
August 4, 2025	Senior: 760; Junior: 40	Senior: 1.79%, 1.95% and 2.03%	Senior: 23 months; Junior: 56 months
September 1, 2025	Senior: 708; Junior: 50	Senior: 1.82%, 2.10% and 2.25%	Senior: 26 months; Junior: 32 months

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

30. BONDS PAYABLE (CONTINUED)

30a. Bonds payable analysed by nature (continued)

Notes (continued):

(iii) Asset-backed securities (continued)

Issue Date	Outstanding principal amount RMB'million	Coupon rate	Term
October 22, 2025	Senior: 665; Junior: 35	Senior: 1.81% and 2.10%	Senior: 27 months; Junior: 72 months
November 27, 2025	Senior: 950; Junior: 50	Senior: 1.78%, 1.95% and 2.10%	Senior: 27 months; Junior: 33 months
December 16, 2025	Senior: 950; Junior: 50	Senior: 1.84%	Senior: 11 months; Junior: 101 months

(iv) Ultra-short-term commercial papers

Issue Date	Outstanding principal amount RMB'million	Coupon rate	Term
June 10, 2025	1,000	1.78%	8 months
July 15, 2025	1,000	1.73%	8 months
August 8, 2025	1,000	1.69%	8 months

(v) Short-term commercial papers

Issue Date	Outstanding principal amount RMB'million	Coupon rate	Term
March 7, 2025	800	2.21%	12 months
August 12, 2025	800	1.74%	12 months
November 13, 2025	1,000	1.75%	12 months

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

31. OTHER LIABILITIES

Current

	December 31, 2025	December 31, 2024
	thousands of	thousands of
	RMB	RMB
Notes Payable	1,856,068	2,113,380
Deposits due within one year	1,391,045	1,610,606
Accrued expenses	104,462	110,573
Dividends payable	65,344	87,043
Public-private partnership projects payables (Note 22)	53,306	143,067
Other taxes payable	52,399	54,498
Deferred revenue	28,907	32,391
Advance receipt	23,727	28,119
Government outsourcing project payables	19,803	12,669
Continuing involvement liabilities (Note 36)	—	121,996
Other payables	263,135	545,985
Total	3,858,196	4,860,327

Non-current

	December 31, 2025	December 31, 2024
	thousands of	thousands of
	RMB	RMB
Deposits from customers	3,181,050	3,398,520
Aircraft maintenance funds	449,642	396,784
Deferred revenue	237,592	287,469
Public-private partnership projects payables (Note 22)	186,640	96,879
Deposits from suppliers and agents	75,459	82,992
Government outsourcing project payables	47,033	54,167
Accrued expenses	16,700	25,281
Other payables	305,088	513,765
Total	4,499,204	4,855,857

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

32. SHARE CAPITAL

	December 31, 2025		December 31, 2024	
	Number of shares (thousand)	Nominal Value thousands of RMB	Number of shares (thousand)	Nominal Value thousands of RMB
Issued and fully paid:				
– Domestic Shares of RMB1 Yuan each	2,440,847	2,440,847	2,440,847	2,440,847
– H Shares of RMB1 Yuan each	5,794,453	5,794,453	5,794,453	5,794,453
Total	8,235,300	8,235,300	8,235,300	8,235,300

The Company has two classes of ordinary shares, namely Domestic Shares and H Shares. All the Domestic Shares and H Shares rank pari passu with each other as to dividends and voting rights.

33. OTHER EQUITY INSTRUMENTS

- (1) Other equity instruments issued by the Company at the end of the year:
- (i) The Company issued renewable corporate bonds with value date on February 7, 2024 and principal amount of RMB1,000,000 thousand on February 5, 2024.
 - (ii) The Company issued renewable corporate bonds with value date on March 14, 2024 and principal amount of RMB500,000 thousand on March 12, 2024.
 - (iii) The Company issued renewable corporate bonds with value date on July 14, 2025 and principal amount of RMB700,000 thousand on July 10, 2025.
 - (iv) The Company issued renewable corporate bonds with value date on July 14, 2025 and principal amount of RMB200,000 thousand on July 10, 2025.

The above financial instruments (i–iv) have no fixed maturity date and the Company has the right to defer the principal in accordance with the contractual terms.

Unless the compulsory interest payment events mentioned below have occurred, the Company has the right to choose to defer current interests and all deferred interests at each interest payment date without limit on the number of times of the interests deferral; Interest deferring under the situations mentioned above are not considered as a breach of the contract for the Company.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

33. OTHER EQUITY INSTRUMENTS (CONTINUED)

- (1) Other equity instruments issued by the Company at the end of the year (continued):

The Company could not defer current interests, all deferred interests and fruits when the following compulsory interest payment events occurred within 12 months before the interest payment date:

- To declare and pay dividend to ordinary shareholders;
 - To decrease registered capital.
- (2) Based on the terms and conditions mentioned above, the directors of the Company are of the view that the Company has an unconditional right to avoid delivering cash or other financial assets. Accordingly, the above renewable corporate bonds are presented as other equity instruments under IAS 32 *Financial Instruments: Presentation*.
- (3) On August 18, 2025, the Company redeemed the renewable corporate bonds issued at August 14, 2023 with principal amount of RMB1,000,000 thousand.
- (4) For the year ended December 31, 2025, profit attributable to the holders of other equity instruments of the Company amounting to RMB80,648 thousand (2024: RMB116,471 thousand), are determined with reference to the distribution rate specified in the terms and conditions.
- (5) For the year ended December 31, 2025, the Company had distributed interest to the holders of other equity instruments of the Company amounting to RMB65,590 thousand (2024: RMB108,179 thousand).

34. RESERVES

(1) Capital reserve

The movements of the capital reserve of the Group are as follows:

	Beginning of the year thousands of RMB	Reduction thousands of RMB	End of the year thousands of RMB
2025			
Capital premium	2,457,876	—	2,457,876
Other capital reserve	3,127	(2,708)	419
Total	2,461,003	(2,708)	2,458,295
2024			
Capital premium	2,457,876	—	2,457,876
Other capital reserve	9,650	(6,523)	3,127
Total	2,467,526	(6,523)	2,461,003

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

34. RESERVES (CONTINUED)

(2) Surplus reserve

The surplus reserve is the statutory surplus reserve.

Pursuant to the Company Law, 10% of the net profit of the Company, as determined under the relevant accounting rules in the PRC, is required to be transferred to the statutory surplus reserve until this reserve reaches 50% of the share capital of the Company. The reserve appropriated can be used for offsetting accumulated losses, expansion of business and capitalisation, in accordance with the Company's articles of association or as approved under proper authorisation.

	Beginning of the year thousands of RMB	Addition thousands of RMB	End of the year thousands of RMB
2025			
Statutory reserve	914,942	86,791	1,001,733
2024			
Statutory reserve	826,943	87,999	914,942

(3) Hedging reserve

The movements of the hedging reserve of the Group are as follows:

	Beginning of the year thousands of RMB	Reduction thousands of RMB	End of the year thousands of RMB
2025			
Hedging reserve	92,253	(94,067)	(1,814)
2024			
Hedging reserve	98,107	(5,854)	92,253

The hedging reserve represents the cumulative effective portion of gains and losses arising on changes in fair value of hedging instruments entered into for cash flow hedges.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

34. RESERVES (CONTINUED)

(4) Translation reserve

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group at the exchange rate prevailing at the end of each reporting period, and the income and expenses are translated at the average exchange rates for the period or exchange rates similar with the spot exchange rate on the date of the transaction. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the translation reserve.

35. INTERESTS IN STRUCTURED ENTITIES

(1) Interest in consolidated structured entities

The Group holds interests in certain structured entities through investments in the shares or securities issued by these structured entities. The categories of these structured entities mainly include asset-backed securities. When assessing whether to consolidate these structured entities, the Group assesses all facts and circumstances to determine whether the Group, as a manager, is acting as an agent or a principal. The factors considered include the scope of the manager's decision-making authority, rights held by other parties, remuneration to which it is entitled and exposure to variability of returns. The Group has determined that all of these structured entities were controlled by the Group and therefore consolidated when preparing the consolidated financial statements. Refer to Notes 36 for details.

(2) Interest in unconsolidated structured entities

The Group has interests in structured entities managed by third parties through investing in wealth management products and trust plans.

As at December 31, 2025, the carrying amount and maximum risk exposure of the unconsolidated structured entities amounted to RMB203 million (December 31, 2024: RMB150 million). As at December 31, 2025, total fair value gains from these structured entities amounted to RMB2,586 thousand (December 31, 2024: nil). These amounts are included in the items presented in Notes 6 and 24.

36. TRANSFER OF FINANCIAL ASSETS

Asset-backed securities

The Group enters into securitisation transactions in the normal course of business by which it transfers finance lease receivables and receivables arising from sale and leaseback arrangements to structured entities which issue asset-backed securities to investors in the Shanghai Stock Exchange market.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

36. TRANSFER OF FINANCIAL ASSETS (CONTINUED)

Asset-backed securities (continued)

In some cases, the Group holds all the junior tranches of the asset-backed securities, substantially all the risks and rewards of ownership of the transferred assets are retained, so the Group continues to recognise the transferred asset in its entirety and recognises bonds payable for the consideration received.

As at December 31, 2025, the carrying amount of finance lease receivables and receivables arising from sale and leaseback arrangements that have been transferred but not derecognised was RMB6,713 million (December 31, 2024: RMB10,213 million). As at December 31, 2025, the related carrying amount of financial liabilities was RMB7,310 million (December 31, 2024: RMB10,045 million).

In other cases, the Group retains some interests in the form of holding some junior tranches which would give rise to the Group's continuing involvement in the transferred assets. Those financial assets are recognised on the consolidated statement of financial position to the extent of the Group's continuing involvement.

As at December 31, 2025, no finance lease receivables and receivables arising from sale and leaseback arrangements had been securitised by the Group under arrangements in which the Group retained a continuing involvement (As at December 31, 2024, the carrying amount of finance lease receivables and receivables arising from sale and leaseback arrangements that had been securitised by the Group under arrangements in which the Group retained a continuing involvement in such assets was RMB257 million. The carrying amount of assets that the Group continued to recognise was RMB122 million. The Group recognised the same amount arising from such continuing involvement in other assets and other liabilities).

37. CASH AND CASH EQUIVALENTS

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

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Deposits in banks	6,946,566	6,642,743
Total	6,946,566	6,642,743

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

38. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	As at January 1, 2025 thousands of RMB	Financing cash flows thousands of RMB	Dividends distributed thousands of RMB	Foreign exchange (gains)/losses thousands of RMB	Other changes thousands of RMB	As at December 31, 2025 thousands of RMB
Bank borrowings	40,091,438	(1,841,327)	—	(1,160)	1,191,592	39,440,543
Bonds payable	40,569,369	(3,237,798)	—	43,005	1,210,498	38,585,074
Dividends payable	—	(675,295)	675,295	—	—	—
Distribution of other equity instruments	87,043	(87,289)	65,590	—	—	65,344
Lease liabilities	23,033	(20,648)	—	—	25,889	28,274
Total	80,770,883	(5,862,357)	740,885	41,845	2,427,979	78,119,235

	As at January 1, 2024 thousands of RMB	Financing cash flows thousands of RMB	Dividends distributed thousands of RMB	Foreign exchange losses thousands of RMB	Other changes thousands of RMB	As at December 31, 2024 thousands of RMB
Bank borrowings and other financial institutions borrowings	45,762,064	(7,280,607)	—	18,434	1,591,547	40,091,438
Bonds payable	45,387,807	(6,403,300)	—	8,541	1,576,321	40,569,369
Dividends payable	—	(700,001)	700,001	—	—	—
Distribution of other equity instruments	126,900	(148,036)	108,179	—	—	87,043
Lease liabilities	31,304	(23,208)	—	—	14,937	23,033
Total	91,308,075	(14,555,152)	808,180	26,975	3,182,805	80,770,883

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

39. OPERATING LEASES ARRANGEMENTS

The Group as lessor

Operating leases relate to the aircraft owned by the Group with lease terms of around 56 to 202 months. The lessees do not have an option to purchase the leased asset before the expiry of the lease period.

Minimum lease payments receivable on leases are as follows:

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Within one year	521,921	573,968
In the second year	446,380	567,287
In the third year	303,080	418,089
In the fourth year	188,907	251,219
In the fifth year	166,936	134,453
After five years	558,439	530,760
Total	2,185,663	2,475,776

40. CAPITAL COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Contracted, but not provided for:		
Construction agreements under public-private partnership projects	3,097	3,097
Total	3,097	3,097

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

41. DIRECTORS' AND SUPERVISORS' EMOLUMENTS

The emoluments of the Directors and Supervisors of the Company paid by the Group during their tenure in the following positions for the year ended December 31, 2025 and 2024 are set out below:

For the year ended December 31, 2025

Name	Director fee thousands of RMB	Salary and allowances thousands of RMB	Employer's contribution to pension schemes thousands of RMB	Total thousands of RMB
Executive Directors:				
Mao Yuxing (i)	—	—	—	—
Zhao Jianxiang (ii)	—	940	143	1,083
Zhou Jianli	—	1,404	214	1,618
Non-executive				
Directors:				
Zhang Xinjun	—	—	—	—
Zheng Huan (iii)	—	—	—	—
Ha Erman (iv)	—	—	—	—
Lu Tong	—	—	—	—
Wu Shukun	—	—	—	—
Zhang Shaohua	—	—	—	—
Employee Director:				
Wu Jian (v)	—	281	54	335
Independent non-executive				
Directors:				
Yao Feng	210	—	—	210
Zeng Qingsheng	210	—	—	210
Wu Yat Wai	210	—	—	210
Yan Lixin	210	—	—	210
Supervisors:				
Wu Xiangyang (vi)	—	—	—	—
Chen Xinji (vi)	—	514	160	674
Hu Zhangming (vi)	—	531	124	655
	840	3,670	695	5,205

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

41. DIRECTORS' AND SUPERVISORS' EMOLUMENTS (CONTINUED)

The executive directors' and employee director's emoluments shown above were for their services in connection with the management of the affairs of the Group, and the non-executive directors' and the independent non-executive directors' emoluments shown above were for their services as directors of the Company.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year and no emoluments were paid by the Group to any of the directors, supervisors or senior management as an inducement to join or upon joining the Group or as compensation for loss of office.

Notes:

- (i) Mao Yuxing was appointed as an executive director in September 2025.
- (ii) Zhao Jianxiang ceased to be an executive director in August 2025.
- (iii) Zheng Huan was appointed as a non-executive director in September 2025.
- (iv) Ha Erman ceased to be a non-executive director in September 2025.
- (v) Wu Jian was appointed as an employee director in October 2025.
- (vi) The Company abolished the Board of Supervisors in September 2025, and Wu Xiangyang, Chen Xinji and Hu Zhangming ceased to be supervisors.
- (vii) The final compensation, including discretionary bonuses for the above directors and supervisors for the year ended 31 December 2025 have not yet been finalized at the date of this consolidated financial statements.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

41. DIRECTORS' AND SUPERVISORS' EMOLUMENTS (CONTINUED)

For the year ended December 31, 2024

Name	Director fee thousands of RMB	Salary and allowances thousands of RMB	Employer's contribution to pension schemes thousands of RMB	Total thousands of RMB
Executive Directors:				
Zhao Jianxiang (i)	—	473	72	545
Ding Xueqing (ii)	—	1,295	166	1,461
Zhou Jianli	—	1,403	199	1,602
Non-executive				
Directors:				
Zhang Xinjun	—	—	—	—
Ha Erman	—	—	—	—
Lu Tong	—	—	—	—
Wu Shukun	—	—	—	—
Zhang Shaohua	—	—	—	—
Independent				
non-executive				
Directors:				
Yao Feng	210	—	—	210
Zeng Qingsheng	210	—	—	210
Wu Yat Wai	210	—	—	210
Yan Lixin	210	—	—	210
Supervisors:				
Wu Xiangyang	—	—	—	—
Chen Xinji	—	747	199	946
Hu Zhangming	—	698	158	856
	840	4,616	794	6,250

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

41. DIRECTORS' AND SUPERVISORS' EMOLUMENTS (CONTINUED)

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Group, and the non-executive directors' and the independent non-executive directors' emoluments shown above were for their services as directors of the Company.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year and no emoluments were paid by the Group to any of the directors, supervisors or senior management as an inducement to join or upon joining the Group or as compensation for loss of office.

Notes:

- (i) Zhao Jianxiang was appointed as an executive director in October 2024.
- (ii) Ding Xueqing ceased to be an executive director in October 2024.
- (iii) The 2024 discretionary bonuses of the directors and supervisors had been finalised in 2025 are as follows: RMB1,743 thousand for Zhao Jianxiang, RMB2,458 thousand for Ding Xueqing, RMB2,150 thousand for Zhou Jianli, RMB582 thousand for Chen Xinji, RMB427 thousand for Hu Zhangming.

42. FIVE HIGHEST PAID INDIVIDUALS

The five highest paid employees of the Group during the year included two directors (2024: two directors), details of whose remuneration are set out in Note 41 above. Details of the remuneration for the year of the remaining three (2024: three) highest paid employees who are not directors of the Company are as follows:

	Year ended December 31	
	2025 thousands of RMB	2024 thousands of RMB
Basic salaries and allowances	3,431	2,903
Bonuses	5,376	5,433
Employer's contribution to pension schemes	444	597
Total	9,251	8,933

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

42. FIVE HIGHEST PAID INDIVIDUALS (CONTINUED)

Bonuses are discretionary with reference to the Group's and the individuals' performance. No emoluments have been paid to or receivable by these individuals as an inducement to join or upon joining the Group or as compensation for loss of office for the year ended December 31, 2025 and 2024.

The number of the highest paid employees who are not directors of the Company whose remuneration fell within the following bands is as follows:

	Year ended December 31	
	2025	2024
	No. of employees	No. of employees
— HKD3,000,001–HKD4,000,000	3	3
Total	3	3

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

43. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

In addition to the subsidiaries of the Group set out in Note 48, the name and the relationship of the other related parties are set out below:

Name of the related party	Relationship of the related party
Haitong UT Capital Group Co., Limited	Parent Company
Guotai Haitong Securities Co., Ltd. (Note)	Indirect Controlling Shareholder
Shanghai Haitong Securities Asset Management Co., Ltd.	Fellow Subsidiary
Haitong International Securities Co., Ltd.	Fellow Subsidiary
Haitong Futures Co., Ltd.	Fellow Subsidiary
Shanghai Weitai Properties Management Co., Ltd.	Fellow Subsidiary
Haitong Bank, S.A.	Fellow Subsidiary

Note: In September 2024, Guotai Junan Securities Co., Ltd. and Haitong Securities Co., Ltd. actively responded to national strategy by implementing a merger and restructuring, which was completed in March 2025. The post-merger company was officially renamed Guotai Haitong Securities Co., Ltd. in April 2025. Guotai Haitong Securities Co., Ltd. is currently the indirect controlling shareholder of the Company, and Shanghai International Group Co., Ltd. (as the actual controller of Guotai Haitong Securities Co., Ltd.) is currently the actual controller of the Company. Prior to the completion of the merger, the related party transactions were those with Haitong Securities Co., Ltd. and its subsidiaries. Upon the completion of the merger, the post-merger company (Guotai Haitong Securities Co., Ltd.) assumed all assets, liabilities, businesses, employees, contracts, qualifications and all other rights and obligations of Haitong Securities Co., Ltd.. Therefore, the related party transactions thereafter were those with Guotai Haitong Securities Co., Ltd. and its subsidiaries.

Other than as disclosed elsewhere in these consolidated financial statements, the Group had the following material transactions and balances with the related parties for the years ended and as at December 31, 2025 and 2024:

(a) Amounts of related party transactions

For the years ended December 31, 2025 and 2024, the Group had the following material transactions with the related parties:

(1) Other operating expenses

	Year ended December 31	
	2025	2024
	thousands of RMB	thousands of RMB
Shanghai Weitai Properties Management Co., Ltd.	66	63
Guotai Haitong Securities Co., Ltd.	3,044	—

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

43. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

(a) Amounts of related party transactions (continued)

(2) *Service fee income*

	Year ended December 31	
	2025	2024
	thousands of	thousands of
	RMB	RMB
Guotai Haitong Securities Co., Ltd.	488	—

(b) Balance of related party transactions

As at December 31, 2025 and 2024, the Group had the following material balances with the related parties:

(1) *Other liabilities*

	December 31, 2025	December 31, 2024
	thousands of	thousands of
	RMB	RMB
Guotai Haitong Securities Co., Ltd.	2,823	—

(c) Other related party transactions

(1) *Key management personnel*

During the year ended December 31, 2025, the total pre-tax remuneration accrued and paid to the key management personnel of the Company amounted to RMB5,692 thousand (2024: RMB5,213 thousand). During the year ended December 31, 2025, the employer's contribution to pension schemes accrued to the key management personnel of the Company amounted to RMB999 thousand (2024: RMB835 thousand). The final amount of compensation of key management personnel who received compensation from the Company during the Reporting Period is still in the process of confirmation at the date of this consolidated financial statements.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

43. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

(c) Other related party transactions (continued)

(2) *Payment of referral service fees to related party*

	Year ended December 31	
	2025	2024
	thousands of RMB	thousands of RMB
Guotai Haitong Securities Co., Ltd.	7,129	2,620
Haitong Futures Co., Ltd.	142	181

(3) *Payment of issuance costs and management fees of bonds to related party*

	Year ended December 31	
	2025	2024
	thousands of RMB	thousands of RMB
Guotai Haitong Securities Co., Ltd.	22,415	35,445
Shanghai Haitong Securities Asset Management Co., Ltd.	1,281	2,377
Haitong International Securities Co., Ltd.	600	591
Haitong Bank, S.A.	130	10

Note: These issuance costs and management fees of bonds relating to debt liabilities issued were recognised as a deduction from the proceeds received from the debt liabilities issued and amortised over the term of the debts as part of the effective interest expenses.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

44. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY

	December 31, 2025	December 31, 2024
	thousands of RMB	thousands of RMB
Non-current assets		
Property and equipment	1,662,534	1,721,581
Right-of-use assets	23,194	18,981
Intangible assets	64,125	78,786
Finance lease receivables	6,122,645	7,720,508
Receivables arising from sale and leaseback arrangements	35,055,618	36,695,588
Financial assets at fair value through profit or loss	16,823	11,652
Investments in subsidiaries	4,633,063	4,633,063
Deferred tax assets	1,850,761	1,709,937
Other assets	1,231,300	1,237,647
Total non-current assets	50,660,063	53,827,743
Current assets		
Finance lease receivables	3,205,438	5,220,383
Receivables arising from sale and leaseback arrangements	37,793,659	35,958,539
Other assets	1,041,178	880,506
Accounts receivable	24,997	27,778
Financial assets at fair value through profit or loss	636,312	584,827
Derivative financial assets	—	73,764
Cash and bank balances	5,210,169	4,801,955
Total current assets	47,911,753	47,547,752
Total assets	98,571,816	101,375,495
Current liabilities		
Borrowings	17,719,842	21,570,743
Derivative financial liabilities	1,891	11,301
Accrued staff costs	108,770	159,526
Accounts payable	266,543	261,692
Bonds payable	17,808,647	21,610,566
Income tax payable	378,560	314,255
Other liabilities	3,497,808	4,252,663

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

44. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY (CONTINUED)

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Total current liabilities	39,782,061	48,180,746
Net current assets/(liabilities)	8,129,692	(632,994)
Total assets less current liabilities	58,789,755	53,194,749
Equity		
Share capital	8,235,300	8,235,300
Other equity instruments	2,384,043	2,468,928
Reserves		
– Capital reserve	2,455,518	2,458,226
– Surplus reserve	1,001,733	914,942
– Hedging reserve	(166)	5,151
Retained profits	4,593,246	4,487,417
Total equity	18,669,674	18,569,964
Non-current liabilities		
Borrowings	19,004,369	14,979,201
Bonds payable	17,881,072	15,872,790
Other liabilities	3,234,640	3,772,794
Total non-current liabilities	40,120,081	34,624,785
Total equity and non-current liabilities	58,789,755	53,194,749

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

44. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY (CONTINUED)

	Share capital thousands of RMB	Other equity instruments thousands of RMB	Capital reserve thousands of RMB	Surplus reserve thousands of RMB	Hedging reserve thousands of RMB	Retained profits thousands of RMB	Total equity thousands of RMB
At December 31, 2024	8,235,300	2,468,928	2,458,226	914,942	5,151	4,487,417	18,569,964
Profit for the year	—	80,648	—	—	—	867,972	948,620
Other comprehensive expense for the year	—	—	—	—	(5,317)	—	(5,317)
Total comprehensive income/(expense) for the year	—	80,648	—	—	(5,317)	867,972	943,303
Issuance of other equity instruments	—	900,000	(2,708)	—	—	—	897,292
Redemption of other equity instruments	—	(1,000,000)	—	—	—	—	(1,000,000)
Appropriation to surplus reserve	—	—	—	86,791	—	(86,791)	—
Distribution of other equity instruments	—	(65,590)	—	—	—	—	(65,590)
Dividends recognised as distribution	—	—	—	—	—	(675,295)	(675,295)
Other	—	57	—	—	—	(57)	—
At December 31, 2025	8,235,300	2,384,043	2,455,518	1,001,733	(166)	4,593,246	18,669,674
	Share capital thousands of RMB	Other equity instruments thousands of RMB	Capital reserve thousands of RMB	Surplus reserve thousands of RMB	Hedging reserve thousands of RMB	Retained profits thousands of RMB	Total equity thousands of RMB
At December 31, 2023	8,235,300	3,430,674	2,464,749	826,943	(17,570)	4,395,422	19,335,518
Profit for the year	—	116,471	—	—	—	879,957	996,428
Other comprehensive income for the year	—	—	—	—	22,721	—	22,721
Total comprehensive income for the year	—	116,471	—	—	22,721	879,957	1,019,149
Issuance of other equity instruments	—	1,500,000	(6,523)	—	—	—	1,493,477
Redemption of other equity instruments	—	(2,470,000)	—	—	—	—	(2,470,000)
Appropriation to surplus reserve	—	—	—	87,999	—	(87,999)	—
Distribution of other equity instruments	—	(108,179)	—	—	—	—	(108,179)
Dividends recognised as distribution	—	—	—	—	—	(700,001)	(700,001)
Other	—	(38)	—	—	—	38	—
At December 31, 2024	8,235,300	2,468,928	2,458,226	914,942	5,151	4,487,417	18,569,964

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

45. FINANCIAL INSTRUMENTS

Categories of financial instruments

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Financial assets		
<i>Financial assets measured at amortised cost:</i>		
Cash and bank balances	7,393,993	7,483,070
Receivables arising from sale and leaseback arrangements	75,519,074	75,192,400
Accounts receivable	66,327	68,234
Other financial assets	3,142,754	3,172,325
<i>Financial assets at fair value through profit or loss:</i>		
Financial assets at fair value through profit or loss	792,871	642,924
Derivative financial assets	36	96,429
Total	86,915,055	86,655,382
Financial liabilities		
<i>Financial liabilities measured at amortised cost:</i>		
Borrowings	39,468,817	40,114,471
Accounts payable	273,308	261,946
Bonds payable	38,585,074	40,569,369
Other financial liabilities	7,896,956	9,164,749
<i>Financial liabilities at fair value through profit or loss:</i>		
Derivative financial liabilities	2,851	23,419
Total	86,227,006	90,133,954

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT

Overview of financial risk management

The Group's activities expose it to a variety of financial risks. The Group identifies, evaluates and manages risks. The Group's risk management objective is to achieve an appropriate balance between risk and return, and minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse risks to set appropriate risk limits and control procedures, and to monitor the risks through appropriate control processes.

The board of directors of the Company establishes overall risk management strategy. The management establishes related risk management policies and procedures. Such risk policies and procedures are carried out by Risk Management Department, Credit Review & Approval Department, Commerce Department, Asset Management Department, Business Department, Compliance Department, Treasury Management Department, Finance Department and other relevant committees after the approval of the board of directors.

The major financial risks of the Group are credit risk, market risk and liquidity risk. Market risk includes foreign currency risk, interest rate risk and price risk.

Credit risk

Credit risk refers to the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk in relation to its bank balances, finance lease receivables, receivables arising from sale and leaseback arrangements, accounts receivable, derivative financial assets and other financial assets. The Group's credit risk is primarily attributable to its finance lease receivables and receivables arising from sale and leaseback arrangements which is the risk of the lessees being unable to meet its contractual obligations.

The Group implemented standardised management procedures over the processes of target customers selection, the due diligence and application, credit review and approval, finance lease business disbursement, post-lending monitoring, management of non-performing receivables and other aspects. Through implementation of relevant credit risk management policies and procedures, the effective use of lease information system and optimisation of the portfolio of finance leases business, the Group is able to timely and effectively identify, monitor and manage its potential credit risks.

Changes in the economic environment will have an impact on the Group's finance lease business, and the adverse effects will increase the possibility of losses incurred by the Group. The Group's current major business operations are in Mainland China, but the differences of economic development in different regions require the Group to closely manage the relevant credit risks. The Business Department, Credit Review & Approval Department, Asset Management Department and Risk Management Department in charge of different industries and regions are responsible for the whole chain management of the credit risks in this order, and periodically reporting on the quality of assets to the board of directors of the Company. The Group has established mechanisms to set credit risk limits for individual lessees and periodically monitor the above credit risk limits.

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Risk limit management and mitigation measures

The Group manages, limits, and controls the concentration of credit risks and, as far as possible, avoids risks concentration on single lessee, industry or region.

The Group manages customer limits to optimise the credit risk structure. The Group performs pre-project analysis of the lessee's ability to repay principal and interest, real-time supervision of the lessee's actual repayment status during the project to manage credit risks.

Other specific management and mitigation measures include:

(a) *Guarantee*

The Group has developed a series of policies to mitigate credit risk, including obtaining collateral/pledge, security deposit and guarantee from an enterprise or individual.

According to the characteristics of the finance lease and sale and leaseback transactions, the Group has the ownership of the asset under the lease during the lease term. In the event of default, the Group is entitled to terminate the contract and repossess the leased asset if the lessee fails to pay the rentals within a reasonable period after being notified.

In addition, the Group requests a third party guarantee or collateral from certain lessees, depending on the lessee's credit status and credit risk degree of the finance lease. The management evaluates the capability of the guarantor, the ownership and value of the mortgage and pledge and the feasibility of realising the mortgage and pledge.

(b) *Insurance on the asset of the finance lease and sale and leaseback transactions*

For finance lease and sale and leaseback transactions, the ownership of the lease asset belongs to the Group before the expiry of the lease, but the risks and rewards in operational use and maintenance have been transferred to the lessee. Therefore, if any accidents occur to the asset, the lessee should immediately report the case to the insurance company and notify the Group, provide accident report with relevant documents and settle claims with the insurance company.

Group's exposure to credit risk

The Group considers all elements of credit risk exposure such as counterparty default risk and sector risk for risk management purposes. In addition to the credit risk limit management and other mitigation measures as described above, the Group monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group will measure the loss allowance based on lifetime ECL rather than 12-month ECL.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Group's exposure to credit risk (continued)

In order to minimise credit risk, the Group has tasked to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The credit grading information is based on a range of data that is determined to be predictive of the risk of default. The nature of the exposure and the type of counterparty are taken into account in the analysis. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default.

The internal credit risk grades are designed and calibrated to reflect the risk of default as credit quality deteriorates. As the credit risk increases, the difference in risk of default between grades changes. Each exposure is allocated with a credit risk grade at initial recognition, based on the available information about the counterparty. All exposures are monitored, and the credit risk grade is updated to reflect current information. The Group uses credit risk grades as a primary input into the determination of the term structure of the probability of default ("PD") for exposures. The Group uses both quantitative and qualitative criteria to determine whether credit risk has increased significantly.

The Group uses forward-looking macro-economic data such as year on year Gross Domestic Product ("GDP"), Consumer Price Index ("CPI"), Fixed-Asset Investment, etc. in its assessment of significant increase in credit risk as well as in its measurement of ECL. The Group develops the forward-looking adjustment on ECL by building the relationship between these forward-looking macro-economic data and the business risk characteristics. In addition to the neutral scenario, the Group also develops other possible scenarios and corresponding weights in combination with prediction of authoritative institutions. The Group measures PD as a weighted average of PD under optimistic, neutral, and pessimistic scenarios, with the combination of the loss given default ("LGD") of different business, the Group calculates the forward-looking adjusted ECL. The outstanding estimates used to measurement of ECL as at the end of 2025 are as follows: Five different scenarios ("Extremely optimistic", "Optimistic", "Neutral", "Extremely pessimistic" and "Pessimistic") are applicable to all portfolio. The weight of the "Neutral" is the highest among the five scenarios and greater than the sum of the weights of the other four scenarios.

As at the end of 2025, the Group conducted stress testing on the macro-economic data used in forward-looking measurement. When the weights of optimistic/extremely optimistic scenarios each increase by 5% and neutral scenario decrease by 10% or pessimistic/extremely pessimistic scenarios each increase by 5% and neutral scenario decrease by 10%, the impact on the Group's ECL allowances is insignificant.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Group's exposure to credit risk (continued)

The following table shows the Group's credit risk grading framework:

Category	Description	Basis for recognising ECL
Stage 1	For financial assets that have low risk of default or where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired.	12m ECL
Stage 2	For financial assets where there has been a significant increase in credit risk since initial recognition but that are not credit impaired.	Lifetime ECL — not credit impaired
Stage 3	Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred.	Lifetime ECL — credit impaired

The table below shows the maximum credit risk exposure of the Group without consideration of the collateral and pledges:

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
Financial assets measured at amortised cost:		
Cash and bank balances	7,393,993	7,483,070
Receivables arising from sale and leaseback arrangements	75,519,074	75,192,400
Accounts receivable	66,327	68,234
Other financial assets	3,142,754	3,172,325
Financial instruments measured at fair value:		
Financial assets at fair value through profit or loss	202,586	150,000
Derivative financial assets	36	96,429
Finance lease receivables	12,252,907	15,500,313
Total	98,577,677	101,662,771

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Group's exposure to credit risk (continued)

The amounts of the credit risk exposures set out above are the carrying amounts as at December 31, 2025 and 2024. For financial instruments measured at fair value, the risk exposure considered as its carrying value changes in accordance with future fair value.

Finance lease receivables and receivables arising from sale and leaseback arrangements

For finance lease receivables and receivables arising from sale and leaseback arrangements, the Group has applied the three-stage impairment approach in IFRS 9 to measure ECL. Refer to Notes 19 and 20 for the stage details.

Accounts receivable and other financial assets

For accounts receivable, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. For other financial assets, the Group has applied the general approach in IFRS 9 to measure the loss allowance for ECL.

Bank balances

Bank balances are determined to have low credit risk at the reporting date. The credit risk on bank balances is limited because the counterparties are reputable banks, and the risk of inability to pay or redeem at the due date is low.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Group's exposure to credit risk (continued)

Concentration risk analysis for financial assets with credit risk exposure

Industry analysis for present value of minimum finance lease receivables

	As at December 31, 2025		As at December 31, 2024	
	Amounts		Amounts	
	thousands of RMB	%	thousands of RMB	%
Transportation & logistics	5,815,811	44.00	6,920,724	42.18
Advanced manufacturing	3,911,438	29.59	5,151,232	31.39
Energy and environmental protection	1,572,689	11.90	1,828,833	11.15
Construction	1,144,228	8.66	1,233,592	7.52
Urban utilities	392,359	2.97	441,170	2.69
Healthcare	223,826	1.69	546,020	3.33
Culture and tourism	107,608	0.81	202,624	1.23
Others	51,223	0.38	83,640	0.51
Total	13,219,182	100.00	16,407,835	100.00

Industry analysis for present value of receivables arising from sale and leaseback arrangements

	As at December 31, 2025		As at December 31, 2024	
	Amounts		Amounts	
	thousands of RMB	%	thousands of RMB	%
Construction	18,413,048	23.68	18,161,986	23.36
Advanced manufacturing	16,863,815	21.68	14,706,837	18.91
Energy and environmental protection	13,923,835	17.90	15,220,801	19.57
Urban utilities	11,390,918	14.65	11,483,072	14.77
Culture and tourism	6,628,846	8.52	7,510,135	9.66
Healthcare	4,690,737	6.03	5,774,509	7.43
Transportation & logistics	4,610,879	5.93	3,962,319	5.10
Others	1,248,995	1.61	936,089	1.20
Total	77,771,073	100.00	77,755,748	100.00

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk

The Group is exposed to market risks that may cause losses to the Group as a result of adverse changes in market prices.

Market risks measurement techniques

The Group currently establishes position limits and uses sensitivity analysis to measure and control market risks. The Group regularly calculates and monitors the foreign exchange risk exposure, as well as the difference (net exposure) between interest-bearing assets and liabilities which would need to be repriced or mature in a certain period, and then uses the net exposure information to perform sensitivity analysis under changing exchange rate and market interest rate.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates.

Foreign currency risk of the Group is mainly attributable to the mismatch of the currencies of assets and liabilities and is mainly affected by changes in the exchange rate of RMB against US dollar. The Group manages its foreign exchange rates under the principle of risk neutralisation by matching the allocation of assets and liabilities of different currencies according to sensitivity analysis of the impact on operation resulting from changes in exchange rate. If necessary, the Group will hedge the exposure of foreign currency risk by using foreign exchange derivatives when chances arise. The operating lease (aircraft leasing) business of the Group is funded by borrowings denominated in US dollar which can offset part of the foreign currency risk exposure. The Group hedges the foreign currency risk arising from funding by currency forwards and other instruments. Such arrangement effectively minimises the foreign currency risk exposure. The foreign currency risk of the Group as a whole is relatively low and has no significant effect on the profits of the Group for the year.

The carrying amounts of the Group's foreign currency denominated assets and liabilities at the end of each reporting period were as follows:

	Assets		Liabilities	
	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
United States dollar	1,076,618	1,272,385	2,113,470	3,930,682

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (continued)

Foreign currency risk (continued)

Sensitivity analysis

The Group is mainly exposed to the effects of fluctuation in USD against RMB.

The following table details the Group's sensitivity to a 5% appreciation and depreciation in RMB, the functional currency of the company, against USD. 5% in the sensitivity rate represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation as at year ended date for a 5% change in foreign currency rate. The analysis illustrates the impact for a 5% strengthening or weakening of USD against RMB, the impacts on the Group's total comprehensive income for the year are as follows:

	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB
5% strengthening of USD against RMB	(38,882)	(99,686)
5% weakening of USD against RMB	38,882	99,686

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk relates primarily to the Group's bank balances, finance lease receivables, receivables arising from sale and leaseback arrangements, accounts receivable, derivative financial instruments, other financial assets, borrowings, accounts payable, bonds payable, and other financial liabilities.

Management closely monitors the market, and controls interest rate sensitivity gap by adjusting asset and liability structure, so as to achieve effective management of interest rate risk.

Fluctuations of prevailing rate of LPR, SOFR and SHIBOR are the major sources of the Group's cash flows interest rate risk.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (continued)

Interest rate risk (continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for interest bearing financial assets and liabilities. The analysis is prepared assuming the interest bearing financial assets and liabilities outstanding at the end of each reporting period were outstanding for the whole year. When reporting to the management on the interest rate risk, the Group will adopt a 100 basis points increase or decrease for sensitivity analysis, when considering the reasonably possible change in interest rates.

	December 31, 2025	December 31, 2024
	thousands of RMB	thousands of RMB
Increase/(Decrease) in net profit		
100 basis points increase	224,680	255,186
100 basis points decrease	(224,680)	(255,186)

Price risk

The Group's exposure to price risk relates primarily to its investments in wealth management products, equity instruments and trust plans in financial assets at fair value through profit or loss.

The management considers the exposure of the Group to the price risk is insignificant as the Group's investments are not material.

Liquidity risk

Liquidity risk refers to the risk that the Group is unable to obtain fund at a reasonable cost to repay the liabilities or seize other investment opportunities. The objective of the Group's liquidity risk management is to ensure sufficient capital resource at any time to meet the repayment needs of matured liabilities, as well as the lessee's financing demand and seize new investment opportunities.

The major payment demand of the Group is the repayments of matured debt.

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

Liquidity risk management policy

Each year, the Group formulates annual liquidity risk tolerance level based on comprehensive assessment of future development, operational strategies and market conditions and implements administrative measures accordingly under proper authorisation and approval procedures. In order to effectively monitor and manage liquidity risk, the Group formulates and promulgates policies such as Measures for the Management of Liquidity Risk, and carries out regular liquidity risk management through monthly tracking of the information system and assessment of conditions and indicators of liquidity risk. The details are as follows:

Regarding the intraday liquidity risk management:

- Monitor liquidity inflows and outflows on a daily basis to meet sufficient intraday liquidity positions and payment obligations under both normal and stressed conditions;
- Manage the internal liquidity reserves prudently to ensure the liquidity required for daily operations and debt repayments;
- Establish liquidity risk control indicators system, managing, identifying and tracking risk control indicators, and implementing corresponding warning, report and contingency plans for liquidity risk;
- Draw up emergency plans regarding liquidity risks, launching liquidity emergency drills regularly or irregularly.

Regarding the medium and long-term liquidity risk management:

- Implement the asset-liability structure management by determining a reasonable asset-liability ratio, monitoring and forecasting the ratio and complying with a predetermined upper limit of the aforementioned ratio;
- Implement the debt maturity structure management by tracking and forecasting the debt maturity structure, analysing the matching situation between assets and liabilities to ensure that mismatches are always within a reasonable range;
- Implement the management of credit line by continuously tracking various information of the existing credit line, such as the amount, type, duration, currency, etc., to meet a sufficient credit reserves position;
- Evaluate cooperation with every single major commercial bank, maintains financing reserve from multiple markets and channels, focuses on financing management at the Group level and keeps financing channels unblocked.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

Cash flow for non-derivative financial instruments

The table below presents the cash flows receivable and payable by the Group under non-derivative financial assets and liabilities and finance lease receivables by remaining contractual maturities at the end of each reporting period. The amounts disclosed in the table are the contractual undiscounted cash flows, whereas the Group manages the inherent liquidity risk based on expected undiscounted cash inflows:

As at December 31, 2025

	On demand	Within 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB
Financial assets and finance lease receivables						
Cash and bank balances	6,805,926	583,622	5,054	—	—	7,394,602
Financial assets at fair value						
through profit or loss	378,169	—	397,879	—	16,823	792,871
Finance lease receivables	219,717	1,557,367	4,246,229	8,019,763	831,542	14,874,618
Receivables arising from sale and leaseback arrangements	1,112,698	11,215,637	31,328,285	38,858,372	753,800	83,268,792
Accounts receivable	67,928	—	41,904	—	—	109,832
Other financial assets	149,236	195,806	769,639	1,929,749	915,736	3,960,166
Non-derivative financial assets total	8,733,674	13,552,432	36,788,990	48,807,884	2,517,901	110,400,881
Financial liabilities						
Borrowings	—	5,090,683	14,179,353	21,199,498	512,841	40,982,375
Accounts payable	273,308	—	—	—	—	273,308
Bonds payable	—	6,743,546	12,251,244	20,777,097	—	39,771,887
Other financial liabilities	203,370	945,831	2,400,949	3,955,485	391,321	7,896,956
Non-derivative financial liabilities total	476,678	12,780,060	28,831,546	45,932,080	904,162	88,924,526
Net position	8,256,996	772,372	7,957,444	2,875,804	1,613,739	21,476,355

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

Cash flow for non-derivative financial instruments (continued)

As at December 31, 2024

	On demand thousands of RMB	Within 3 months thousands of RMB	3 months to 1 year thousands of RMB	1 to 5 years thousands of RMB	Over 5 years thousands of RMB	Total thousands of RMB
Financial assets and finance lease receivables						
Cash and bank balances	6,996,837	487,358	—	—	—	7,484,195
Financial assets at fair value						
through profit or loss	110,938	150,000	370,334	—	11,652	642,924
Finance lease receivables	306,275	2,121,792	5,707,258	9,132,800	1,419,110	18,687,235
Receivables arising from sale and leaseback arrangements	1,033,343	11,175,804	29,738,829	41,388,419	963,958	84,300,353
Accounts receivable	67,928	—	41,096	—	—	109,024
Other financial assets	130,031	10,088	965,252	1,793,754	1,356,393	4,255,518
Non-derivative financial assets total	8,645,352	13,945,042	36,822,769	52,314,973	3,751,113	115,479,249
Financial liabilities						
Borrowings	—	5,377,497	19,350,574	16,290,165	700,864	41,719,100
Accounts payable	261,946	—	—	—	—	261,946
Bonds payable	—	4,619,329	19,587,845	17,839,985	—	42,047,159
Other financial liabilities	463,167	1,499,724	2,556,571	4,201,250	447,092	9,167,804
Non-derivative financial liabilities total	725,113	11,496,550	41,494,990	38,331,400	1,147,956	93,196,009
Net position	7,920,239	2,448,492	(4,672,221)	13,983,573	2,603,157	22,283,240

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

Cash flow for derivative financial instruments

The following table details the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted contractual net cash inflows and (outflows) on derivative instruments that settle on a net basis, and the undiscounted gross inflows and (outflows) on those derivatives that require gross settlement.

	Within 3 months thousands of RMB	3 months to 1 year thousands of RMB	1 to 5 years thousands of RMB	Over 5 years thousands of RMB	Total thousands of RMB
December 31, 2025					
Derivative financial instruments settled on net basis	36	—	(1,019)	—	(983)
Derivative financial instruments settled on gross basis					
Including: Cash inflow	13,442	—	—	—	13,442
Cash outflow	(15,244)	—	—	—	(15,244)
	(1,802)	—	—	—	(1,802)
	Within 3 months thousands of RMB	3 months to 1 year thousands of RMB	1 to 5 years thousands of RMB	Over 5 years thousands of RMB	Total thousands of RMB
December 31, 2024					
Derivative financial instruments settled on net basis	—	21,880	1,076	—	22,956
Derivative financial instruments settled on gross basis					
Including: Cash inflow	551,596	231,110	14,102	—	796,808
Cash outflow	(502,467)	(230,773)	(15,244)	—	(748,484)
	49,129	337	(1,142)	—	48,324

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

Capital management

The Group manages its capital to ensure that the companies in the Group are able to operate as a going concern by optimising the structure of the debt and shareholders' equity while maximising shareholders' return. The objective of the Company's capital management is to ensure compliance with the relevant laws, regulations and other regulatory requirements. According to the current relevant laws and regulations in effect, the Company's risk assets shall not exceed 8 times of net assets.

As at December 31, 2025 and 2024, the risk assets to net assets ratio complied with the aforementioned regulations.

47. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group's certain financial assets and liabilities are measured at fair value or with fair value disclosed for financial reporting purposes. The Group uses valuation techniques to determine the fair value of financial instruments when unable to obtain the open market quotation in active markets.

Financial instruments that are measured at fair value on a recurring basis

The Group's certain financial assets and financial liabilities are measured at fair value on a recurring basis. The following tables give information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and key input(s) used).

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB		
1) Financial assets at fair value through profit or loss				
— Wealth management products	100,004	150,000	Level 2	Net asset value as published by the product manager.
— Equity instruments	175,583	110,938	Level 1	Quoted bid price in an active market.
	414,702	381,986	Level 3	Quoted market prices with an adjustment of discount for lack of marketability; or using market approach, with reference to the market value of the comparable listed company, as well as the liquidity discount impact.
— Trust plans	102,582	—	Level 2	Net asset value as published by the issuer/financial institution.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

47. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Financial instruments that are measured at fair value on a recurring basis (continued)

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	December 31, 2025 thousands of RMB	December 31, 2024 thousands of RMB		
2) Currency forwards	Assets: — Liabilities: (1,891)	Assets: — Liabilities: (23,419)	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward exchange rates, discounted at a rate that reflects the credit risk of various counterparties.
3) Interest rate swaps	Assets: 36 Liabilities: (960)	Assets: 22,664 Liabilities: —	Level 2	Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.
4) Cross currency interest rate swaps	Assets: — Liabilities: —	Assets: 73,765 Liabilities: —	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange/interest rates (from observable forward exchange rates/observable yield curves at the end of the reporting period) and contract exchange/interest rates, discounted at a rate that reflects the credit risk of various counterparties.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

47. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Financial instruments that are measured at fair value on a recurring basis (continued)

Management determines the fair value of the Group's level 3 equity instruments using valuation techniques that incorporate unobservable input. These financial instruments are valued using market approach, which incorporate various unobservable assumptions such as market rate volatilities, market liquidity discounts, etc.

As at December 31, 2025, the effects of changes in significant unobservable assumptions to reasonably possible alternative assumptions were immaterial.

There was no transfer between Level 1 and Level 2 during the years ended December 31, 2025 and 2024.

The following table represents the changes in Level 3 financial instruments for the relevant years.

	Year ended December 31	
	2025	2024
	thousands of RMB	thousands of RMB
At the beginning of the year	381,986	246,513
Changes in fair value recognised in profit or loss	74,411	111,076
Additions	—	51,991
Disposal	—	(7,117)
Transfer to level 1	(41,575)	(21,812)
Exchange differences	(120)	1,335
At the end of the year	414,702	381,986
Total gains for assets held at the end of the year		
— unrealised gains recognised in profit or loss	79,162	118,385

For the year ended December 31, 2025 and 2024, the Group transferred a portion of its equity investment from level 3 to level 1 as the fair values of these equity were determined using quoted prices instead of valuation techniques, due to expiration of lock-up period. There were no financial instruments transferred to level 3 during the year ended December 31, 2025 and 2024.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

47. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Financial instruments that are not measured at fair value

The table below summarizes the carrying amounts, expected fair values and fair value hierarchy of those financial instruments not presented at their fair values:

	December 31, 2025				
	Carrying amount	Fair value	Level 1	Level 2	Level 3
	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB
Financial liabilities:					
Bonds payable	38,585,074	39,164,523	—	39,164,523	—

	December 31, 2024				
	Carrying amount	Fair value	Level 1	Level 2	Level 3
	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB	thousands of RMB
Financial liabilities:					
Bonds payable	40,569,369	41,401,616	—	41,401,616	—

The fair value of bonds payable is determined in accordance with generally accepted valuation models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparties.

Except for the above, the directors of the Company consider that the carrying amounts of other financial assets and financial liabilities recorded at amortised cost on the Group's consolidated statement of financial position approximate their fair values because the majority of these financial assets and liabilities are matured within one year or at floating interest rates.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

48. PARTICULARS OF SUBSIDIARIES

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below:

Name of subsidiaries	Place and date of incorporation/ establishment	Registered capital/issued share capital	Equity interest held by the Company		Principal activities/ place of operation
			At December 31, 2025	2024	
Directly held:					
Haitong Unitrust International Financial Leasing (Tianjin) Corporation	PRC, 2011	RMB 210,000,000	100%	100%	Leasing, PRC
Shanghai UniCircle Investment & Development Co., Ltd.	PRC, 2006	RMB 100,000,000	100%	100%	Property management, logistics management, catering management, PRC
Haitong UniFortune Financial Leasing (Shanghai) Corporation	PRC, 2014	RMB 1,360,000,000	100%	100%	Leasing, PRC
Haitong UT Leasing HK Limited	Hong Kong, 2017	USD 284,384,443	100%	100%	Leasing, Hong Kong
Penglai Hengshi Properties Limited	PRC, 2018	RMB 15,000,000	95%	95%	Government outsourcing businesses, PRC
Longyao County Hengjing Engineering Project Management Co., Ltd.	PRC, 2018	RMB 37,608,500	90%	90%	PPP project management, PRC
Longyao County Yutong Engineering Project Management Co., Ltd.	PRC, 2018	RMB 65,151,880	90%	90%	PPP project management, PRC
Tonggu County Dingxin Engineering Project Management Co., Ltd.	PRC, 2019	RMB 134,000,000	73.9%	73.9%	PPP project management, PRC
Qimen County Dingxin Engineering Project Management Co., Ltd. (Note i)	PRC, 2020	RMB 165,072,820	85%	85%	PPP project management, PRC
Haitong UT MSE Financial Leasing (Shanghai) Co., Ltd.	PRC, 2016	RMB 1,500,000,000	100%	100%	Leasing, PRC

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

48. PARTICULARS OF SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place and date of incorporation/ establishment	Registered capital/issued share capital	Equity interest held by the Company		Principal activities/ place of operation
			At December 31, 2025	2024	
Directly held (continued):					
Shanghai Dingjie Construction Development Co., Ltd.	PRC, 2018	RMB 20,000,000	100%	100%	Information consulting service, leasing, PRC
Indirectly held:					
Haitong UT Leasing Irish Holding Corporation Limited	Ireland, 2017	USD1	100%	100%	Aircraft related business, Ireland
Haitong Unitrust No. 1 Limited	Ireland, 2016	USD1	100%	100%	Aircraft leasing, PRC (Note ii)
Haitong Unitrust No. 2 Limited	Ireland, 2017	USD1	100%	100%	Aircraft leasing, PRC (Note ii)
Haitong Unitrust No. 3 Limited	Ireland, 2017	USD1	100%	100%	Aircraft leasing, Philippines (Note ii)
Haitong Unitrust No. 4 Limited	Ireland, 2017	USD1	100%	100%	Aircraft leasing, Philippines (Note ii)
Haitong UT Leasing Irish Finance Limited	Ireland, 2018	USD1	100%	100%	Financial service on aircraft related business, Ireland
Haitong UT HK 1 Limited	Hong Kong, 2018	USD 34,318,864	100%	100%	Aircraft leasing, Qatar (Note ii)
Haitong UT HK 2 Limited	Hong Kong, 2018	USD 34,496,253	100%	100%	Aircraft leasing, Qatar (Note ii)
Haitong UT HK 3 Limited	Hong Kong, 2018	USD 9,946,229	100%	100%	Aircraft leasing, Indonesia (Note ii)
Haitong UT HK 4 Limited	Hong Kong, 2018	USD 9,935,502	100%	100%	Aircraft leasing, Indonesia (Note ii)
Haitong UT HK 5 Limited	Hong Kong, 2018	USD 9,823,594	100%	100%	Aircraft leasing, PRC (Note ii)
Haitong UT HK 6 Limited	Hong Kong, 2018	USD 9,819,150	100%	100%	Aircraft leasing, PRC (Note ii)
Haitong UT HK 7 Limited	Hong Kong, 2018	USD 23,719,696	100%	100%	Aircraft leasing, PRC (Note ii)
Haitong UT HK 8 Limited	Hong Kong, 2018	USD 23,112,966	100%	100%	Aircraft leasing, PRC (Note ii)

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

48. PARTICULARS OF SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place and date of incorporation/ establishment	Registered capital/issued share capital	Equity interest held by the Company		Principal activities/ place of operation
			At December 31, 2025	2024	
Indirectly held (continued):					
Haitong UT HK 9 Limited	Hong Kong, 2018	USD1	100%	100%	Financial service on aircraft related business, Hong Kong
Haitong UT HK 10 Limited	Hong Kong, 2018	USD1	100%	100%	Financial service on aircraft related business, Hong Kong
Haitong UT HK 15 Limited	Hong Kong, 2019	USD 12,982,749	100%	100%	Aircraft leasing, Malaysia (Note ii)
Haitong UT HK 16 Limited	Hong Kong, 2019	USD 14,670,686	100%	100%	Aircraft leasing, Malaysia (Note ii)
Haitong UT HK 17 Limited	Hong Kong, 2019	USD 17,675,148	100%	100%	Aircraft leasing, PRC (Note ii)
Haitong UT HK 18 Limited	Hong Kong, 2020	USD 9,775,304	100%	100%	Aircraft leasing, PRC (Note ii)
Haitong UT HK 19 Limited	Hong Kong, 2020	USD 10,939,475	100%	100%	Aircraft leasing, PRC (Note ii)
Haitong UT Brilliant Limited	Hong Kong, 2020	USD1	100%	100%	Financing vehicle, Hong Kong
Haitong Unitrust No. 1 Leasing (Tianjin) Corporation	PRC, 2019	RMB100,000	100%	100%	Aircraft leasing, PRC (Note ii)
Haitong Unitrust No. 2 Leasing (Tianjin) Corporation	PRC, 2019	RMB100,000	100%	100%	Aircraft leasing, PRC (Note ii)
Haitong Unitrust No. 3 Leasing (Tianjin) Corporation	PRC, 2021	RMB100,000	100%	100%	Aircraft leasing, PRC (Note ii)
Haitong Unitrust No. 4 Leasing (Tianjin) Corporation	PRC, 2021	RMB100,000	100%	100%	Aircraft leasing, PRC (Note ii)

Note i: For the year ended December 31, 2025, the subsidiary of the Company did not receive paid-in amount of registered capital from its minority shareholders (2024: RMB3,010 thousand). The paid-in amount from the above minority shareholders were recognised as non-controlling interests.

Note ii: Place of operation represents the location of the lessee in aircraft leasing business.

Notes to the Consolidated Financial Statements for the Year Ended December 31, 2025

48. PARTICULARS OF SUBSIDIARIES (CONTINUED)

As at December 31, 2025 and 2024, the subsidiaries of the Group which are established in the PRC are all limited liability companies registered under the PRC law.

As at December 31, 2025, none of the subsidiaries had issued any debt securities at the end of the year except for Haitong UT Brilliant Limited which had medium term notes with outstanding principal of RMB2,000 million, Haitong UT MSE Financial Leasing (Shanghai) Co., Ltd. which had asset-backed securities with outstanding principal of RMB380 million, Haitong UniFortune Financial Leasing (Shanghai) Corporation which had asset-backed securities with outstanding principal of RMB499 million (As at December 31, 2024, none of the subsidiaries had issued any debt securities at the end of the year except for Haitong UT Brilliant Limited which had medium term notes with outstanding principal of USD200 million and RMB1,000 million, Haitong UT MSE Financial Leasing (Shanghai) Co., Ltd. which had asset-backed securities with outstanding principal of RMB87 million, Haitong UniFortune Financial Leasing (Shanghai) Corporation which had asset-backed securities with outstanding principal of RMB546 million.).

49. SUBSEQUENT EVENTS

The Group had no material subsequent events required disclosures after December 31, 2025.

50. COMPARATIVE FIGURES

Certain comparative figures have been adjusted to conform with changes in disclosures in current year.