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**中國航空科技工業股份有限公司**

**AviChina Industry & Technology Company Limited\***

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 2357)**

**ANNOUNCEMENT ON THE ANNUAL RESULTS FOR THE YEAR  
ENDED 31 DECEMBER 2025;  
PROPOSED CHANGE OF NON-EXECUTIVE DIRECTOR; AND  
CHANGE OF AUTHORISED REPRESENTATIVE UNDER THE COMPANIES  
ORDINANCE**

**Financial Highlights**

The Board announces that the Group's various businesses developed steadily and the revenue achieved stable growth for the year 2025.

- For the year ended 31 December 2025, the Group recorded a revenue of RMB89,442 million, representing an increase of RMB2,471 million or 2.84% as compared with that of RMB86,971 million in the corresponding period of the preceding year.
- For the year ended 31 December 2025, the net profit attributable to the owners of the parent company amounted to RMB1,765 million, representing a decrease of RMB422 million or 19.30% as compared with that of RMB2,187 million in the corresponding period of the preceding year.
- The Board recommended the payment of a final dividend for the year 2025 in an aggregate amount of RMB530,194,807, representing a dividend of RMB0.0665 per Share (2024: RMB0.081 per Share), calculated based on the number of the existing total issued Shares of the Company of 7,972,854,242 Shares as at the date of this announcement.

**Annual Results**

The Board announces the audited consolidated annual results of the Group prepared in accordance with the China Accounting Standards for Business Enterprises for the year ended 31 December 2025, together with the comparative figures for the year 2024, as follows:

## Consolidated Income Statement

For the year ended 31 December 2025

Unit: RMB

Items	Note	2025 (Audited)	2024 (Audited)
<b>I. Total operating income</b>		<b>89,442,248,717</b>	<b>86,970,764,166</b>
Including: Operating revenue	3	89,442,248,717	86,970,764,166
Interest income			
Earned premium			
Fee and commission income			
<b>II. Total operating cost</b>		<b>84,620,007,459</b>	<b>81,421,104,235</b>
Including: Operating cost	3	71,997,879,346	68,122,457,690
Interest expenses			
Fee and commission expenses			
Cash surrender amount			
Net expenses of claim settlement			
Net provision for insurance contract reserves			
Policyholder dividend expenses			
Reinsurance expenses			
Taxes and surcharges		642,848,389	562,594,915
Selling expenses	5	791,078,677	858,222,984
Administrative expenses	6	4,914,579,809	5,231,423,063
Research and development expenses	7	6,155,375,313	6,660,912,151
Finance costs	8	118,245,925	-14,506,568
Including: Interest expense		417,990,885	424,127,673
Interest income		327,497,798	464,977,856
Add: Other income	9	927,437,306	840,804,590
Investment income (loss to be listed with “-”)	10	453,754,307	461,475,487
Including: Income from investment in associates and joint ventures		287,471,261	306,830,358
Derecognition income of financial assets at amortized cost		-2,454,167	-6,599,098
Exchange gain (loss to be listed with “-”)			
Net exposure hedging income (loss to be listed with “-”)			
Income from changes in fair value (loss to be listed with “-”)	11	17,744,012	5,156,412
Credit impairment loss (loss to be listed with “-”)	12	-544,987,327	-370,565,273
Asset impairment loss (loss to be listed with “-”)	13	-406,148,953	-444,063,376
Income from assets disposal (loss to be listed with “-”)	14	97,056,351	-90,955
<b>III. Operating profit (loss to be listed with “-”)</b>		<b>5,367,096,954</b>	<b>6,042,376,816</b>
Add: Non-operating income	15	110,265,346	103,896,393
Less: Non-operating expenses	16	129,683,825	54,139,217
<b>IV. Profit before tax (loss before tax to be listed with “-”)</b>		<b>5,347,678,475</b>	<b>6,092,133,992</b>
Less: income tax expenses	17	504,842,149	337,683,391
<b>V. Net profit (net loss to be listed with “-”)</b>		<b>4,842,836,326</b>	<b>5,754,450,601</b>

<b>(I) Classified according to operating continuity</b>			
1. Net profit from continuing operations (net loss to be listed with“-”)		4,842,836,326	5,754,450,601
2. Net profit from discontinuing operations (net loss to be listed with“-”)			
<b>(II) Classified according to attribution of the ownership</b>			
1. Net profit attributable to the owners of the parent company (net loss to be listed with“-”)		1,765,126,860	2,187,431,551
2. Minority profit and loss (net loss to be listed with“-”)		3,077,709,466	3,567,019,050
<b>VI. Net of tax of other comprehensive income</b>		<b>68,872,287</b>	<b>348,173,774</b>
Net of tax of other comprehensive income attributable to the owner of the parent company		39,526,727	222,111,339
(I) Other comprehensive income that cannot be reclassified into profit or loss		39,664,047	222,163,780
1. Changes arising from re-measurement of the defined benefit plan		29,408,861	-31,058,512
2. Other comprehensive income that cannot be reclassified into profit or loss under the equity method		2,741,776	-187,580
3. Changes in fair value of other equity instrument investments		7,513,410	253,409,872
4. Changes in fair value of the enterprise’s credit risk			
5. Others			
(II) Other comprehensive income that can be reclassified into profit or loss		-137,320	-52,441
1. Other comprehensive income that can be reclassified into profit or loss under the equity method		-11,671	5,856
2. Changes in fair value of other debt investments			
3. Amount charged into other comprehensive income arising from reclassification of financial assets			
4. Provision for credit impairment of other debt investments			
5. Reserves for cash flow hedge (effective parts of cash flow hedge profit or loss)			
6. Translation difference of foreign currency financial statements		-125,649	-58,297
7. Others			
Net of tax of other comprehensive income attributable to minority shareholders		29,345,560	126,062,435
<b>VII. Total comprehensive income</b>		<b>4,911,708,613</b>	<b>6,102,624,375</b>
Total comprehensive income attributable to shareholders of the parent company		1,804,653,587	2,409,542,890
Total comprehensive income attributable to minority shareholders		3,107,055,026	3,693,081,485
<b>VIII. Earnings per share:</b>			
(I) Basic earnings per share (RMB/share)	19	0.221	0.274
(II) Diluted earnings per share (RMB/share)	19	0.221	0.274

**Consolidated Balance Sheet**

As at 31 December 2025

Unit: RMB

Items	Note	31 December 2025 (Audited)	31 December 2024 (Audited)
<b>Current assets:</b>			
Monetary funds		30,439,375,940	41,322,143,789
Settlement reserve			
Loans to banks and other financial institutions			
Financial assets held for trading		2,342,175,411	3,310,715,928
Derivative financial assets			
Notes receivable	20	10,564,461,161	10,583,863,253
Accounts receivable	21	55,366,743,457	48,629,459,534
Receivables financing		1,200,967,879	687,378,756
Prepayments		3,021,374,825	6,662,957,422
Premium receivable			
Reinsurance premium receivable			
Reinsurance contract provision receivable			
Other receivables		451,487,988	429,196,895
Including: Interest receivable			
Dividends receivable			10,756,337
Financial assets purchased under agreements to resell			
Inventories		42,114,515,185	37,807,694,703
Contract assets		14,707,279,213	8,157,185,629
Held-for-sale assets			
Non-current assets due within one year			
Other current assets		1,484,547,921	1,170,768,033
<b>Total current assets</b>		<b>161,692,928,980</b>	<b>158,761,363,942</b>

**Consolidated Balance Sheet (Continued)**

As at 31 December 2025

Unit: RMB

Items	Note	31 December 2025 (Audited)	31 December 2024 (Audited)
<b>Non-current assets:</b>			
Loans and advances			
Debt investment			
Other debt investment			
Long-term receivables			144,391
Long-term equity investments		2,863,864,803	2,819,712,703
Other equity instrument investments		4,365,994,240	4,362,842,667
Other non-current financial assets		3,564,907	3,444,547
Investment properties		458,709,031	459,693,522
Fixed assets		27,118,235,307	25,039,976,932
Construction-in-progress		3,588,269,809	4,240,450,534
Bearer biological assets			
Oil and gas assets			
Right-of-use assets		417,189,078	478,328,387
Intangible assets		3,920,260,376	4,019,662,385
Development expenditure			
Goodwill		93,193,010	93,193,010
Long-term deferred expenses		97,241,225	103,881,511
Deferred income tax assets		1,265,836,914	1,005,956,811
Other non-current assets		717,212,813	655,455,608
<b>Total non-current assets</b>		<b>44,909,571,513</b>	<b>43,282,743,008</b>
<b>Total assets</b>		<b>206,602,500,493</b>	<b>202,044,106,950</b>

**Consolidated Balance Sheet (Continued)**

As at 31 December 2025

Unit: RMB

Items	Note	31 December 2025 (Audited)	31 December 2024 (Audited)
<b>Current Liabilities:</b>			
Short-term borrowings		11,845,088,409	9,346,288,157
Borrowings from the central bank			
Placements from banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable	22	12,375,345,621	12,623,278,147
Accounts payable	23	51,095,327,265	45,902,193,249
Advances		50,923,819	52,280,917
Contract liabilities		10,878,839,027	15,777,767,019
Financial assets sold under agreements to repurchase			
Deposits and placements from other financial institutions			
Securities brokering			
Securities underwriting			
Employee compensation payable		3,244,435,164	3,485,938,083
Tax payable		967,099,220	1,772,624,231
Other payables		2,269,429,570	2,629,792,314
Including: Interest payable			
Dividends payable		70,856,910	61,485,432
Fees and commissions payable			
Reinsurance amounts payable			
Held-for-sale liabilities			
Non-current liabilities due within one year		3,972,936,277	3,089,757,164
Other current liabilities		1,246,906,482	1,053,483,038
<b>Total current liabilities</b>		<b>97,946,330,854</b>	<b>95,733,402,319</b>

**Consolidated Balance Sheet (Continued)**

As at 31 December 2025

Unit: RMB

Items	Note	31 December 2025 (Audited)	31 December 2024 (Audited)
<b>Non-current liabilities:</b>			
Insurance contract reserves			
Long-term borrowings		4,472,446,797	5,164,267,863
Bonds payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		352,400,575	400,607,954
Long-term payables		-471,096,692	-918,199,341
Long-term employee compensation payable		1,484,251,834	1,817,724,969
Estimated liabilities		319,240,694	377,723,958
Deferred income		1,187,812,127	1,191,325,208
Deferred income tax liabilities		974,773,748	762,789,551
Other non-current liabilities		956,688,208	866,252,591
<b>Total non-current liabilities</b>		<b>9,276,517,291</b>	<b>9,662,492,753</b>
<b>Total liabilities</b>		<b>107,222,848,145</b>	<b>105,395,895,072</b>
<b>Shareholders' equity:</b>			
Share capital		7,972,854,242	7,972,854,242
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserves		14,003,240,853	14,364,198,634
Less: treasury shares			
Other comprehensive income		476,305,781	449,480,586
Special reserves		553,778,874	498,545,247
Surplus reserves		628,222,730	534,461,130
General risk reserve			
Undistributed profits		11,379,699,269	10,328,427,841
<b>Total shareholders' equity attributable to parent company</b>		<b>35,014,101,749</b>	<b>34,147,967,680</b>
Minority equity		64,365,550,599	62,500,244,198
<b>Total shareholders' equity</b>		<b>99,379,652,348</b>	<b>96,648,211,878</b>
<b>Total liabilities and shareholders' equity</b>		<b>206,602,500,493</b>	<b>202,044,106,950</b>

## **Notes:**

### **1. CORPORATE INFORMATION**

AviChina Industry & Technology Company Limited\* (hereinafter referred to as the Company, together with its subsidiaries, the Group) was restructured by subsidiaries of the former China Aviation Industry Corporation II (hereinafter referred to as AVIC II), and was incorporated in Beijing in the PRC on 30 April 2003 as a joint stock company with limited liability. It was listed on the Hong Kong Stock Exchange on 30 October 2003. The Company has obtained the business license with the unified social credit code of 91110000710931141J issued by Beijing Market Supervision and Administration Authority. The registered capital of the Company is RMB7,972,854,242. The legal representative is Mr. Yan Lingxi. The address of its registered office is 2<sup>nd</sup> Floor, Building 27, No. 26 Xihuan South Street, Economic Technological Development Area, Beijing.

As of 31 December 2025, the Group is principally involved in the research, development, manufacture and sale of aviation products and the delivery of aviation engineering services such as planning, design, consultation, construction and operation.

The controlling Shareholder of the Company is AVIC, and the ultimate controller is AVIC. The Company has a Board of Directors, which manages and controls the Company's major decisions and daily operation.

These financial statements were approved for issue by the Board on 27 March 2026.

The data of the following financial statements for the twelve months ended 31 December 2024 is audited, and that for the twelve months ended 31 December 2025 is audited.

The notes to the financial statements are presented in RMB, except as otherwise noted.

### **2. Basis for Preparation of Financial Statements**

The financial statements have been prepared on the going concern basis and based on the transactions and events actually occurred in accordance with the Accounting Standards for Business Enterprises promulgated by the Ministry of Finance of the PRC and relevant requirements, as well as based on the accounting policies and estimates of the Group. In addition, the Company discloses relevant financial information in accordance with the Hong Kong Companies Ordinance and the Hong Kong Listing Rules.

During the preparation of the financial statements, the Company has fully evaluated its ability to continue operating in the next 12 months from the balance sheet date. The Group has a record of profitable operation recently and adequate financial resources to support its operation, and considers it is reasonable to prepare the financial statements on a going concern basis.

### 3. Operating revenue and operating costs

#### (1) Details of operating revenue and operating costs

Item	January to December 2025		January to December 2024	
	Revenue	Cost	Revenue	Cost
Main businesses	88,158,655,091	70,940,343,688	85,690,334,349	67,170,987,740
Other businesses	1,283,593,626	1,057,535,658	1,280,429,817	951,469,950
<b>Total</b>	<b>89,442,248,717</b>	<b>71,997,879,346</b>	<b>86,970,764,166</b>	<b>68,122,457,690</b>

#### (2) Revenue from contracts

Contract classification	Aviation entire aircraft	Aviation ancillary system and related business	Aviation Engineering services	Total
By operation region				
Including: Chinese Mainland	28,552,041,204	48,754,489,567	9,836,135,273	87,142,666,044
Other regions		2,299,275,018	307,655	2,299,582,673
By contract type				
Including: Sales contract	28,552,041,204	48,723,384,370	1,324,632,978	78,600,058,552
Service contract		2,330,380,215	8,511,809,950	10,842,190,165
By time of goods transfer				
Including: Performance in a period of time	28,219,040,710	233,942,017	8,247,851,276	36,700,834,003
Performance at a point in time	333,000,494	50,819,822,568	1,588,591,652	52,741,414,714
<b>Total</b>	<b>28,552,041,204</b>	<b>51,053,764,585</b>	<b>9,836,442,928</b>	<b>89,442,248,717</b>

#### 4. Segment information

The chief operating decision-maker has been identified as the executive Directors who review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The executive Directors classify the business into three reportable segments:

1. Aviation entire aircraft - manufacturing, assembly, sales and servicing of helicopters, trainers and other aircraft;
2. Aviation ancillary system and related business - manufacturing and sale of aviation ancillary system and related business; and
3. Aviation engineering services - delivery of aviation engineering services such as planning, design, consultation, construction and operation.

The Group is domiciled in the PRC from where most of its revenue from external customers is derived and in where all of its assets are located.

January to December 2025/ 31 December 2025	Aviation entire aircraft	Aviation ancillary system and related business	Aviation engineering services	Offset	Total
Revenue from external transactions	28,552,041,204	51,053,764,585	9,836,442,928		89,442,248,717
Revenue from inter-segment transactions		7,156,024,765	386,490,254	-7,542,515,019	
Investment income from associates and joint ventures	2,328,973	266,579,435	18,562,853		287,471,261
Asset impairment losses and credit impairment losses	-135,856,916	-768,921,296	-50,814,102	4,456,034	-951,136,280
Depreciation and amortization costs	743,217,459	2,394,823,479	62,915,293		3,200,956,231
Profit before tax	606,494,841	4,658,193,780	216,636,002	-133,646,148	5,347,678,475
Income tax expense	42,776,375	445,621,179	7,150,463	9,294,132	504,842,149
Net profit	563,718,466	4,212,572,601	209,485,539	-142,940,280	4,842,836,326
Total assets	61,648,398,178	154,047,351,813	11,042,405,997	-20,135,655,495	206,602,500,493
Total liabilities	39,286,709,495	65,296,420,476	7,838,234,268	-5,198,516,094	107,222,848,145
Other non-cash expenses other than depreciation and amortization costs and asset impairment losses	-102,284,914	-46,548,659			-148,833,573
Long-term equity investment in associates and joint ventures	435,048,988	1,571,418,110	502,657,820		2,509,124,918
Increase in other non-current assets other than long-term equity investments	131,906,365	1,603,271,322	-3,077,096	-149,424,186	1,582,676,405

(Continued)

<b>January to December 2024/ 31 December 2024</b>	<b>Aviation entire aircraft</b>	<b>Aviation ancillary system and related business</b>	<b>Aviation engineering services</b>	<b>Offset</b>	<b>Total</b>
Revenue from external transactions	28,471,516,961	48,504,254,500	9,994,992,705		86,970,764,166
Revenue from inter-segment transactions		7,478,461,115	486,506,655	-7,964,967,770	
Investment income from associates and joint ventures	4,312,239	263,989,961	38,528,158		306,830,358
Asset impairment losses and credit impairment losses	-88,608,502	-699,914,938	-23,776,886	-2,328,323	-814,628,649
Depreciation and amortization costs	578,039,902	2,407,972,199	54,837,777		3,040,849,878
Profit before tax	430,463,645	5,636,424,568	237,894,008	-212,648,229	6,092,133,992
Income tax expense	25,109,890	305,496,876	9,828,875	-2,752,250	337,683,391
Net profit	405,353,755	5,330,927,692	228,065,133	-209,895,979	5,754,450,601
Total assets	64,707,985,175	146,778,876,802	11,126,836,200	-20,569,591,227	202,044,106,950
Total liabilities	43,357,953,769	59,949,608,660	8,103,380,506	-6,015,047,863	105,395,895,072
Other non-cash expenses other than depreciation and amortization costs and asset impairment losses	46,360,569	452,084,980			498,445,549
Long-term equity investment in associates and joint ventures	435,200,599	1,543,157,579	486,614,640		2,464,972,818
Increase in other non-current assets other than long-term equity investments	-402,204,026	3,249,007,352	27,135,182	120,480,540	2,994,419,048

## 5. Selling expenses

Item	Amount for the current year	Amount for the previous year
Employee compensation	437,741,236	458,672,890
Business travel costs	126,310,447	124,544,229
Sales service charges	91,231,928	107,067,913
Office fees	24,640,831	22,165,476
Storage and custody fees	23,408,394	16,974,381
Advertising, promotion and exhibition expenses	12,693,073	26,669,554
Depreciation and amortization costs	11,967,652	6,972,107
Tender fees	4,732,356	7,312,636
Transportation costs	3,326,137	7,238,441
Packaging fees	2,227,917	3,837,811
Others	52,798,706	76,767,546
<b>Total</b>	<b>791,078,677</b>	<b>858,222,984</b>

## 6. Administrative expenses

Item	Amount for the current year	Amount for the previous year
Employee compensation	3,208,854,761	3,275,624,656
Depreciation and amortization costs	603,214,014	553,671,766
Office and utilities expenses	195,762,432	166,760,596
Property fees and afforestation fees	117,382,272	102,071,795
Maintenance and repair costs	115,031,653	109,320,408
Business travel costs	95,929,733	119,155,991
Professional service fees	78,245,409	87,843,709
Business entertainment expenses	62,618,564	95,015,658
Labor protection costs	50,301,288	52,183,028
Rental	49,190,136	43,192,214
Publicity expenses	28,898,630	28,863,714
Insurance premium	19,893,007	21,276,975
Conference expenses	19,266,526	24,352,462
Audit fees	12,660,756	8,321,046
Including: Auditor's fees for the annual report	2,270,000	2,270,000
Amortization of equity incentives in the current period	-61,801,182	233,781,270
Others	319,131,810	309,987,775
<b>Total</b>	<b>4,914,579,809</b>	<b>5,231,423,063</b>

## 7. Research and development expenses

<b>Item</b>	<b>Amount for the current year</b>	<b>Amount for the previous year</b>
Employee compensation	2,621,464,401	2,653,955,468
Materials expenses	1,622,323,160	2,092,617,540
Experimental and special fees	665,424,534	426,331,408
Outsourcing fees	591,565,565	570,047,001
Depreciation and amortization costs	186,649,319	206,556,589
Transportation and business travel costs	184,492,703	146,157,958
Administrative expense	138,596,324	144,106,700
Power and fuel expenses	60,768,703	70,288,556
Design fees	18,332,678	13,354,343
Amortization of equity incentives in the current period	-28,549,127	132,340,704
Others	94,307,053	205,155,884
<b>Total</b>	<b>6,155,375,313</b>	<b>6,660,912,151</b>

## 8. Finance costs

<b>Item</b>	<b>Amount for the current year</b>	<b>Amount for the previous year</b>
Interest expenses	430,055,985	429,442,223
Less: Interest incomes	327,497,798	464,977,856
Less: Interest capitalized	12,065,100	5,314,550
Add: Exchange gains or losses	-5,672,949	-20,281,360
Add: Other expenditures	33,425,787	46,624,975
<b>Total</b>	<b>118,245,925</b>	<b>-14,506,568</b>

## 9. Other income

Sources of other income	Amount for the current year	Amount for the previous year
Value-added tax credit	566,861,835	473,605,127
Science and technology innovation awards for enterprise	44,166,797	7,144,453
National major science and technology project	43,008,948	92,889,313
Financial allocations	27,699,689	22,624,288
Business assist and employment stabilization subsidies	26,015,092	39,562,146
Production line maintenance subsidies	18,460,000	18,950,000
Technical transformation	17,102,400	1,295,731
Subsidies for research and development expenses	13,341,312	5,282,554
Government relocation compensation	12,471,040	17,821,040
MIIT project	11,800,000	2,000,000
Value-added tax instant refund	11,150,073	24,412,578
Subsidies for the reconstruction project	10,427,363	10,497,799
Refund of individual tax handling fee	8,184,663	7,276,241
High-tech allowance	6,700,784	13,815,260
Connector research and industrialization project subsidies	3,985,099	5,977,648
Special subsidies for scientific research funds	1,888,640	3,251,562
Land compensation	1,878,971	
Subsidies of boiler retrofitting	1,145,000	
Production capacity improvement project		5,496,356
Others	101,149,600	88,902,494
<b>Total</b>	<b>927,437,306</b>	<b>840,804,590</b>

## 10. Investment income

Item	Amount for the current year	Amount for the previous year
Long-term equity investment incomes calculated at equity method	287,471,261	306,830,358
Investment income from disposal of long-term equity investments	-3,522,376	362,797
Investment income from holding financial assets held for trading	34,563	
Investment income from disposal of financial assets held for trading	42,744,434	57,440,921
Dividend income from holding other equity instrument investments	23,570,554	53,803,062
Gain on debt restructuring	73,672,921	17,681,679
Gain on derecognition of financial assets measured at amortized cost	-2,454,167	-6,599,098
Others	32,237,117	31,955,768
<b>Total</b>	<b>453,754,307</b>	<b>461,475,487</b>

Note: Gain on debt restructuring is the cash discounts gain obtained by the Company on settlement of payment for the supply payment.

## 11. Income from changes in fair value

Source of income from changes in fair value	Amount for the current year	Amount for the previous year
Financial assets held for trading	17,621,905	7,901,755
Including: Gain from changes in fair value of derivative financial instruments		
Other non-current financial assets	122,107	6,302
Financial liabilities held for trading		-2,751,645
<b>Total</b>	<b>17,744,012</b>	<b>5,156,412</b>

## 12. Credit impairment loss

Item	Amount for the current year	Amount for the previous year
Loss on bad debts of accounts receivable	-510,367,698	-356,415,749
Loss on bad debts of notes receivable	-40,368,877	-8,080,964
Loss on bad debts of other receivables	6,130,496	-7,000,206
Others	-381,248	931,646
<b>Total</b>	<b>-544,987,327</b>	<b>-370,565,273</b>

### 13. Assets impairment loss

Item	Amount for the current year	Amount for the previous year
Inventory depreciation loss and contract performance cost impairment losses	-372,146,854	-367,333,622
Contract asset impairment losses	-32,534,672	-37,033,417
Others	-1,467,427	-39,696,337
<b>Total</b>	<b>-406,148,953</b>	<b>-444,063,376</b>

### 14. Income from assets disposal

Item	Amount for the current year	Amount for the previous year	Amount included in non-recurring profit or loss for the current year
Income from disposal of non-current assets	97,056,351	-90,955	97,056,351
Including: Income from disposal of non-current assets classified as held-for-sale		-27,085	
Including: Income from disposal of fixed assets		-27,085	
Income from disposal of non-current assets not classified as held-for-sale	97,056,351	-63,870	97,056,351
Including: Income from disposal of fixed assets	44,095,942	-462,675	44,095,942
Income from disposal of intangible assets	46,294,548	398,805	46,294,548
Income from disposal of other assets	6,665,861		6,665,861
<b>Total</b>	<b>97,056,351</b>	<b>-90,955</b>	<b>97,056,351</b>

### 15. Non-operating income

Item	Amount for the current year	Amount for the previous year	Amount included in non-recurring profit or loss for the current year
Gains on damaged and retired non-current assets	3,482,768	2,816,503	3,482,768
Government grants irrelevant to the daily business operations		34,230	
Unpayable payments	25,867,238	15,783,758	25,867,238
Income from compensation, liquidated damages and fines	78,220,261	73,568,422	78,220,261
Liquidation income	235,396		235,396
Others	2,459,683	11,693,480	2,459,683
<b>Total</b>	<b>110,265,346</b>	<b>103,896,393</b>	<b>110,265,346</b>

## 16. Non-operating expenses

Item	Amount for the current year	Amount for the previous year	Amount included in non-recurring profit or loss for the current year
Losses on damaged and retired non-current assets	19,207,202	17,116,765	19,207,202
External donation expenditure	2,496,577	3,615,749	2,496,577
Expenses on compensation, liquidated damages and fines	103,051,933	27,466,846	103,051,933
Others	4,928,113	5,939,857	4,928,113
<b>Total</b>	<b>129,683,825</b>	<b>54,139,217</b>	<b>129,683,825</b>

## 17. Income tax expenses

### (1) Income tax expenses

Item	Amount for the current year	Amount for the previous year
Current income tax calculated in accordance with tax laws and related regulations	562,407,077	437,279,267
Deferred income tax expenses	-57,564,928	-99,595,876
<b>Total</b>	<b>504,842,149</b>	<b>337,683,391</b>

### (2) Adjustment process of accounting profits and income tax expenses

Item	Amount for the current year
Total consolidated profit before tax for the year	5,347,678,475
Income tax expenses at statutory/applicable rates	1,336,919,619
The impact of different tax rates applied to subsidiaries	-439,568,129
The impact of adjustments to income taxes in previous periods	109,259,129
The impact of non-taxable revenue	-102,296,027
The impact of non-deductible costs, expenses and losses	74,521,347
The impact of deductible losses on the use of deferred income tax assets not recognized in previous periods	-109,510,675
The impact of deductible temporary differences or deductible losses on deferred income tax assets not recognized in the current year	170,680,223
Tax effect of surplus deduction	-512,953,729
Others	-22,209,609
<b>Income tax expenses</b>	<b>504,842,149</b>

## 18. Dividends

Item	Amount for the current year	Amount for the previous year
Proposed: Final dividend per share: RMB0.0665 (2024: RMB0.081)	530,194,807	645,801,194

The proposed final dividend is proposed by the Board at the meeting held on the date of approval of these financial statements and is subject to approval by the Company's Shareholders at the annual general meeting.

## 19. Earnings per share

In accordance with the "Rules Governing the Disclosure of Information by Companies Offering Securities to the Public No. 9 – Calculation and Disclosure of Return on Net Assets and Earnings per Share (Revised 2010)" of the China Securities Regulatory Commission, the Group's weighted average return on net assets, basic earnings per share and diluted earnings per share for the current period are as follows:

Profit for the reporting period	Weighted average Return on net assets (%)	Earnings per share (RMB/share)	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the parent Company	5.10	0.221	0.221
Net profit attributable to ordinary shareholders of the parent company after non-recurring profit or loss	4.65	0.202	0.202

## 20. Notes receivable

### (1) Classified presentation of notes receivable

Item	Closing balance	Opening balance
Banker's acceptance bill	3,188,696,287	3,322,807,413
Commercial acceptance bill	7,375,764,874	7,261,055,840
<b>Total</b>	<b>10,564,461,161</b>	<b>10,583,863,253</b>

### (2) Notes receivable pledged

Item	Amount pledged at the end of the year
Banker's acceptance bill	769,536,517
Commercial acceptance bill	979,616,423
<b>Total</b>	<b>1,749,152,940</b>

(Continued)

<b>Item</b>	<b>Amount pledged at the beginning of the year</b>
Banker's acceptance bill	716,359,812
Commercial acceptance bill	1,360,120,481
<b>Total</b>	<b>2,076,480,293</b>

(3) Classified presentation by bad debt accrual method

<b>Category</b>	<b>Closing balance</b>				<b>Book value</b>
	<b>Book balance</b>		<b>Bad debt provision</b>		
	<b>Amount</b>	<b>Proportion (%)</b>	<b>Amount</b>	<b>Provision proportion (%)</b>	
Bad debt provision made individually					
Bad debt provision made as per portfolio	10,739,847,834	100.00	175,386,673	1.63	10,564,461,161
Including: Banker's acceptance bill	3,189,150,622	29.69	454,335	0.01	3,188,696,287
Commercial acceptance bill	7,550,697,212	70.31	174,932,338	2.32	7,375,764,874
<b>Total</b>	<b>10,739,847,834</b>	<b>—</b>	<b>175,386,673</b>	<b>—</b>	<b>10,564,461,161</b>

(Continued)

<b>Category</b>	<b>Opening balance</b>				<b>Book value</b>
	<b>Book balance</b>		<b>Bad debt provision</b>		
	<b>Amount</b>	<b>Proportion (%)</b>	<b>Amount</b>	<b>Provision proportion (%)</b>	
Bad debt provision made individually					
Bad debt provision made as per portfolio	10,723,925,444	100.00	140,062,191	1.31	10,583,863,253
Including: Banker's acceptance bill	3,323,517,256	30.99	709,843	0.02	3,322,807,413
Commercial acceptance bill	7,400,408,188	69.01	139,352,348	1.88	7,261,055,840
<b>Total</b>	<b>10,723,925,444</b>	<b>—</b>	<b>140,062,191</b>	<b>—</b>	<b>10,583,863,253</b>

1) Bad debt provision of notes receivable made as per portfolio

Name	Closing balance		
	Book balance	Bad debt provision	Provision proportion (%)
Banker's acceptance bill	3,189,150,622	454,335	0.01
Commercial acceptance bill	7,550,697,212	174,932,338	2.32
<b>Total</b>	<b>10,739,847,834</b>	<b>175,386,673</b>	<b>—</b>

(4) Provisions for bad debt accrued, recovered and reversed for notes receivable in the current period

Category	Opening balance	Amount changed in the current year				Closing balance
		Accrued	Recovered or reversed	Written back or written off	Other decrease	
Notes receivable subjected to provision for expected credit losses on portfolio basis	140,062,191	35,332,495			-8,013	175,386,673
<b>Total</b>	<b>140,062,191</b>	<b>35,332,495</b>			<b>-8,013</b>	<b>175,386,673</b>

(5) The Group had no notes receivable that were actually written-off in the year.

(6) The ageing of the notes receivable at the end of the year

The ageing of the Group's notes receivable at the end of the year mentioned above is within 6 months.

## 21. Accounts receivable

Item	Closing balance	Opening balance
Accounts receivable	57,904,514,580	50,720,744,268
Less: Impairment provision	2,537,771,123	2,091,284,734
Net accounts receivable	<b>55,366,743,457</b>	<b>48,629,459,534</b>

(1) Classified presentation of accounts receivable by bad debt accrual method

Category of portfolio	Closing balance			
	Original book value	Proportion of bad debt provision (%)	Bad debt provision	Book value
Bad debt provision made individually	2,299,305,085	11.55	265,610,916	2,033,694,169
Bad debt provision made as per portfolio	55,605,209,495	4.09	2,272,160,207	53,333,049,288
Including: Bad debts provision made on the group of credit risk characteristics	55,605,209,495	4.09	2,272,160,207	53,333,049,288
<b>Total</b>	<b>57,904,514,580</b>	<b>—</b>	<b>2,537,771,123</b>	<b>55,366,743,457</b>

(Continued)

Category of portfolio	Opening balance			
	Original book value	Proportion of bad debt provision (%)	Bad debt provision	Book value
Bad debt provision made individually	253,152,654	99.64	252,243,135	909,519
Bad debt provision made as per portfolio	50,467,591,614	3.64	1,839,041,599	48,628,550,015
Including: Bad debts provision made on the group of credit risk characteristics	50,467,591,614	3.64	1,839,041,599	48,628,550,015
<b>Total</b>	<b>50,720,744,268</b>	<b>—</b>	<b>2,091,284,734</b>	<b>48,629,459,534</b>

1) Bad debt provision of accounts receivable made individually

Name	Closing balance			
	Book balance	Bad debt provision	Provision proportion (%)	Reasons for provision
Company 1	1,720,676,555	10,050,059	0.58	Provision based on expected loss rate
Company 2	323,595,695	1,137,527	0.35	Provision based on expected loss rate
Company 3	72,310,639	72,310,639	100.00	All of it is expected to be unable to recover
Company 4	23,561,105	23,561,105	100.00	All of it is expected to be unable to recover
Company 5	16,636,397	16,636,397	100.00	All of it is expected to be unable to recover
Other customers	142,524,694	141,915,189	99.57	Part of it is expected to be unable to recover
<b>Total</b>	<b>2,299,305,085</b>	<b>265,610,916</b>	<b>—</b>	<b>—</b>

2) Bad debt provision of accounts receivable made by portfolio

Ageing	Closing balance		
	Book balance	Bad debt provision	Provision proportion (%)
Within 1 year	41,804,869,460	342,688,414	0.82
1-2 years	10,552,012,829	644,389,146	6.11
2-3 years	2,200,414,931	614,080,247	27.91

Ageing	Closing balance		
	Book balance	Bad debt provision	Provision proportion (%)
3-4 years	365,002,561	190,908,935	52.30
4-5 years	219,652,013	154,753,847	70.45
Over 5 years	463,257,701	325,339,618	70.23
<b>Total</b>	<b>55,605,209,495</b>	<b>2,272,160,207</b>	—

(2) Based on the date of transaction, ageing of accounts receivable is as follows

Ageing	Closing balance		
	Accounts receivable	Bad debt provision	Proportion of bad debt provision (%)
Within 1 year	43,960,833,468	465,567,477	1.06
1-2 years	10,564,956,341	656,989,049	6.22
2-3 years	2,215,461,638	628,861,338	28.39
3-4 years	382,801,508	208,707,883	54.52
4-5 years	229,288,044	164,389,878	71.70
Over 5 years	551,173,581	413,255,498	74.98
<b>Total</b>	<b>57,904,514,580</b>	<b>2,537,771,123</b>	—

(Continued)

Ageing	Opening balance		
	Accounts receivable	Bad debt provision	Proportion of bad debt provision (%)
Within 1 year	42,312,732,848	461,389,186	1.09
1-2 years	6,329,925,273	580,027,053	9.16
2-3 years	982,047,492	320,833,093	32.67
3-4 years	326,833,202	158,686,797	48.55
4-5 years	216,001,923	134,625,821	62.33
Over 5 years	553,203,530	435,722,784	78.76
<b>Total</b>	<b>50,720,744,268</b>	<b>2,091,284,734</b>	—

Certain of the Group's domestic sales are made on advances, while the remaining sales are paid by letters of credit or banker's acceptances bill or customers are granted a credit period of 180-360 days.

(3) Bad debt provision of accounts receivable in the current year

Category	Opening balance	Amount changed in the current year				Closing balance
		Provision	Amounts recovered or transferred back	Amounts written back or written off	Other changes	
Bad debt provision made individually	252,243,135	68,169,144	269,580	54,670,476	138,693	265,610,916
Bad debts provision made on the group of credit risk characteristics	1,839,041,599	442,307,282	-1,255,132	9,448,184	-995,622	2,272,160,207
<b>Total</b>	<b>2,091,284,734</b>	<b>510,476,426</b>	<b>-985,552</b>	<b>64,118,660</b>	<b>-856,929</b>	<b>2,537,771,123</b>

Note: The main reason for other decrease is the translation differences in the foreign currency statements of JONHON, a subsidiary of the Company.

## 22. Notes payable

(1) Classification of notes payable

Category	Closing balance	Opening balance
Banker's acceptance bill	7,633,854,595	7,622,243,602
Commercial acceptance bill	4,741,491,026	5,001,034,545
<b>Total</b>	<b>12,375,345,621</b>	<b>12,623,278,147</b>

(2) Ageing of notes payable

The ageing of the Group's notes payable at the end of the year mentioned above was within 6 months.

## 23. Accounts payable

### (1) Presentation of accounts payable

<b>Item</b>	<b>Closing balance</b>	<b>Opening balance</b>
Materials costs payable	43,211,252,791	38,932,470,839
Construction costs payable	4,207,696,988	3,976,416,871
Equipment costs payable	1,387,529,498	1,187,299,654
Others	2,288,847,988	1,806,005,885
<b>Total</b>	<b>51,095,327,265</b>	<b>45,902,193,249</b>

### (2) The ageing of accounts payable based on their transaction dates is analyzed as below

<b>Ageing</b>	<b>Closing balance</b>	<b>Opening balance</b>
Within 1 year (including 1 year)	40,215,657,115	39,087,143,580
1-2 years (including 2 years)	7,562,051,396	4,717,965,470
2-3 years (including 3 years)	1,966,832,982	772,097,146
Over 3 years	1,350,785,772	1,324,987,053
<b>Total</b>	<b>51,095,327,265</b>	<b>45,902,193,249</b>

## **Management Discussion and Analysis**

In 2025, the Group continued to classify its businesses into aviation entire aircraft segment, aviation ancillary system and related business segment and aviation engineering services segment. The revenue, gross profit margin and other key financial performance indicators of these segments are analyzed in this announcement to demonstrate their operation and development.

For the year ended 31 December 2025, the Group recorded a revenue of RMB89,442 million, representing an increase of RMB2,471 million or 2.84% as compared with that of RMB86,971 million in the corresponding period of the preceding year. The net profit attributable to the owners of the parent company amounted to RMB1,765 million, representing a decrease of RMB422 million or 19.30% as compared with that of RMB2,187 million in the corresponding period of the preceding year.

## **Consolidated Operating Results**

### **1. Composition of revenue**

The revenue of the Group for the year 2025 amounted to RMB89,442 million, representing an increase of RMB2,471 million or 2.84% as compared with that of RMB86,971 million in the corresponding period of the preceding year, which was mainly attributable to the year-on-year increase in revenue of aviation ancillary system products during the reporting period.

The revenue of the Group's aviation entire aircraft business for the year 2025 amounted to RMB28,552 million, representing an increase of RMB80 million or 0.28% as compared with that of RMB28,472 million in the corresponding period of the preceding year. The revenue of the aviation entire aircraft business for the year 2025 accounted for 31.92% of the total revenue of the Group, representing a decrease of 0.82 percentage point as compared with that in the corresponding period of the preceding year.

The revenue of the Group's aviation ancillary system and related business for the year 2025 amounted to RMB51,054 million, representing an increase of RMB2,550 million or 5.26% as compared with that of RMB48,504 million in the corresponding period of the preceding year, which was mainly attributable to the increase of the revenue of the Company's subsidiaries JONHON and AVIC Airborne during the reporting period. The revenue of the aviation ancillary system and related business for the year 2025 accounted for 57.08% of the total revenue of the Group, representing an increase of 1.31 percentage points as compared with that in the corresponding period of the

preceding year.

The revenue of the Group's aviation engineering services business for the year 2025 amounted to RMB9,836 million, representing a decrease of RMB159 million or 1.59% as compared with that of RMB9,995 million in the corresponding period of the preceding year. The revenue of the aviation engineering services business for the year 2025 accounted for 11.00% of the total revenue of the Group, representing a decrease of 0.49 percentage point as compared with that in the corresponding period of the preceding year.

The Group mainly conducts its businesses in and generated most of its revenue from Chinese Mainland.

## **2. Selling expenses**

The Group's selling expenses for the year 2025 amounted to RMB791 million, representing a decrease of RMB67 million or 7.81% as compared with that of RMB858 million in the corresponding period of the preceding year, which was mainly attributable to the year-on-year decrease in salaries of sales personnel and sales service charges of certain subsidiaries during the reporting period. In 2025, the selling expenses accounted for 0.88% of the revenue of the Group, representing a decrease of 0.11 percentage point as compared with that in the corresponding period of the preceding year.

## **3. Administrative expenses**

The Group's administrative expenses for the year 2025 amounted to RMB4,915 million, representing a decrease of RMB316 million or 6.04% as compared with that of RMB5,231 million in the corresponding period of the preceding year, which was mainly attributable to the failure to satisfy the vesting conditions of the third batch under the third phase of the Restricted Share Incentive Scheme of JONHON, a subsidiary of the Company. In 2025, the administrative expenses accounted for 5.50% of the revenue of the Group, representing a decrease of 0.51 percentage point as compared with that in the corresponding period of the preceding year.

## **4. Research and development expenses**

The Group's research and development expenses for the year 2025 amounted to RMB6,155 million, representing a decrease of RMB506 million or 7.60% as compared with that of RMB6,661 million in the corresponding period of the preceding year, which was mainly attributable to the year-on-year

decrease in research and development investment of certain subsidiaries during the reporting period. In 2025, the research and development expenses accounted for 6.88% of the revenue of the Group, representing a decrease of 0.78 percentage point as compared with that in the corresponding period of the preceding year.

## **5. Finance costs**

The Group's finance costs in 2025 amounted to RMB118 million, representing an increase of RMB133 million as compared with that of RMB-15 million in the corresponding period of the preceding year, which was mainly attributable to the year-on-year decrease in interest income driven by the decrease of deposit interest rates and average existing funds during the reporting period. Please refer to Note 8 to the financial statements for details.

## **6. Operating profit**

The Group's operating profit in 2025 amounted to RMB5,367 million, representing a decrease of RMB675 million or 11.17% as compared with that of RMB6,042 million in the corresponding period of the preceding year, which was mainly attributable to the change in products structure during the reporting period, which resulted in the year-on-year decrease in gross profit margin and gross profit amount.

## **7. Income tax expenses**

The Group's income tax expenses in 2025 amounted to RMB505 million, representing an increase of RMB167 million or 49.41% as compared with that of RMB338 million in the corresponding period of the preceding year, which was mainly attributable to the supplementary payment of corporate income tax by certain subsidiaries of the Company.

## **8. Net profit attributable to the owners of the parent company**

The net profit attributable to the owners of the parent company for the year 2025 amounted to RMB1,765 million, representing a decrease of RMB422 million or 19.30% as compared with that of RMB2,187 million in the corresponding period of the preceding year, which was mainly attributable to the change in products structure during the reporting period, which resulted in the year-on-year decrease in gross profit margin and gross profit amount.

## **Segment Information**

The Group's business is divided into three segments, namely the aviation entire aircraft business, the aviation ancillary system and related business and the aviation engineering services business.

### **The Aviation Entire Aircraft Business**

#### **Revenue**

The Group's revenue derived from the aviation entire aircraft business for the year 2025 amounted to RMB28,552 million, representing an increase of 0.28% as compared with that in the corresponding period of the preceding year. Among the above revenue, the revenue derived from the helicopter business, which amounted to RMB24,415 million, representing a decrease of RMB1,523 million or 5.87% as compared with that in the corresponding period of the preceding year, and accounted for 85.51% of the total revenue of the aviation entire aircraft business.

The revenue of the aviation entire aircraft business of the Group for the year 2025 accounted for 31.92% of the Group's total revenue, representing a decrease of 0.82 percentage point as compared with that in the corresponding period of the preceding year.

#### **Gross Profit Margin**

The gross profit margin of the Group's aviation entire aircraft business for the year 2025 was 7.22%, representing a decrease of 1.30 percentage points as compared with that in the corresponding period of the preceding year, which was mainly attributable to the changes in structure and price adjustments of helicopter products during the reporting period.

### **The Aviation Ancillary System and Related Business**

#### **Revenue**

The Group's revenue derived from the aviation ancillary system and related business for the year 2025 amounted to RMB51,054 million, representing an increase of 5.26% as compared with that in the corresponding period of the preceding year. Among the above revenue, the revenue derived from avionics business amounted to RMB41,503 million, representing an increase of RMB1,141 million or 2.83% as compared with that in the corresponding period of the preceding year, and accounted for 81.29% of the total revenue of the aviation ancillary system and related business.

The revenue derived from the aviation ancillary system and related business for the year 2025 accounted for 57.08% of the Group's total revenue, representing an increase of 1.31 percentage points as compared with that in the corresponding period of the preceding year.

### **Gross Profit Margin**

The gross profit margin of the Group's aviation ancillary system and related business for the year 2025 was 27.66%, representing a decrease of 3.63 percentage points as compared with that in the corresponding period of the preceding year, which was mainly attributable to the changes in structure of aviation ancillary system products during the reporting period, resulting in the year-on-year decrease in gross profit margin.

### **The Aviation Engineering Services Business**

#### **Revenue**

The Group's revenue derived from the aviation engineering services business for the year 2025 amounted to RMB9,836 million, representing a decrease of 1.59% as compared with that in the corresponding period of the preceding year.

The revenue derived from the aviation engineering services business for the year 2025 accounted for 11.00% of the Group's total revenue, representing a decrease of 0.49 percentage point as compared with that in the corresponding period of the preceding year.

#### **Gross Profit Margin**

The gross profit margin of the Group's aviation engineering services business for the year 2025 was 12.82%, representing an increase of 0.39 percentage point as compared with that in the corresponding period of the preceding year.

### **Business Review and Outlook**

In 2025, the domestic and international landscape underwent profound and complex changes, while China's economy maintained overall stability and steady progress. AVIC, the controlling Shareholder of the Company, rose to challenges and forged ahead, achieving remarkable results in equipment development, civil aircraft business, technological innovation, deepening reforms, and

industrial system cultivation, with steady progress in high-quality development.

In 2025, faced with major internal and external risks and challenges, the Group stayed committed to its strategic direction and maintained its development momentum. It actively seized opportunities in industrial transformation, continuously improved its industrial layout, focused on the industrialization of aviation scientific and technological achievements and the low-altitude economy and continued to optimize its equity structure and business structure, and pursued steady and sustained progress in high-quality development.

**The helicopter business continuously enhanced its core competitiveness and brand influence.**

The development of the aviation emergency rescue system and modernization of capabilities were steadily improved. The AC-series helicopters continued to explore diversified application scenarios for the low-altitude economy, and progressively improved the low-altitude economic ecosystem covering logistics, rescue, tourism and other fields. The AC332 helicopter completed multiple test flights with steady progress in airworthiness certification. The AC352 helicopter (search-and-rescue type) carried out its domestication development and completed its first flight. The AC352 helicopter (basic type) obtained its type certificate, filling the gap in the range of domestically 7-ton class civil helicopters. The Z-8 and AC311A helicopters collaboratively executed three-dimensional forest fire-fighting operations, and the AC311 helicopter accomplished multiple medical rescue missions.

**The trainer business actively expanded its markets.** The L15 trainer had been delivered across borders and made its debut at multiple international airshows, continuously enhancing its global influence. Sales intent agreements were signed for the CJ6 trainer, further expanding the civil aviation market. The development of new models programs progressed smoothly, providing endogenous impetus for the long-term and sustainable development of the trainer business.

**The aviation ancillary system and related business segment continuously strengthened scientific and technological innovation and the construction of the civil aircraft airborne industry system has been steadily improved.** JONHON officially put into operation its civil aircraft and industrial park and high-end interconnection industrial community, with its industrial layout steadily improved. Focusing on digital and intelligent transformation, the Group has empowered the upgrading of the entire production chain, and its core technologies were highly compatible with cutting-edge sectors such as commercial spaceflight and the low-altitude economy. Oriental Instrument obtained the civil aircraft quality management system certification (AS9100D), laying a solid foundation for the development and manufacturing of civil aircraft airborne equipment. Chuanxi Machinery made progress in the precision control of large hot isostatic presses, empowering the research and development and manufacturing of large-sized, high-performance aerospace

materials and new energy solid-state batteries. Shaanxi Huayan jointly established the “Joint Laboratory of Collaborative Innovation for Intelligent Aviation Sensing” with Shanghai Jiao Tong University, promoting original innovation in the field of intelligent sensing.

**The Group made steady progression in the aviation engineering services business.** AVIC CAPDI received the 2025 National Excellent Engineering Survey and Design Awards by virtue of its multiple projects. It won the bids for several low-altitude economy projects in Ningxia, continuously deepening its presence in this field. The civil aviation electronics industrialization project, which it participated in the planning and design, commenced construction, marking a continuous expansion in the civil aviation electronics field. The aid project in Africa has been handed over and put into operation, further advancing its overseas market development. The Jinshishan Mining Park project in Xinyu City, Jiangxi Province, which it designed, was selected as a national model case for ecological restoration in mining areas, contributing aviation expertise and strength to the construction of a Beautiful China.

**The Group accelerated the cultivation of new quality productive forces and continuously enhanced the low-altitude economy industrial ecosystem.** Collaborations with universities and research institutions were strengthened to explore in-depth synergy mechanism for industry, academia and research. The Group proactively positioned itself in the research and development of low-altitude aircraft’s core technologies and the transformation of achievement to promote the integration of strategic emerging industries and future industries with the aviation industry and foster the deep integration of technological innovation and industrial innovation. It deepened cooperation with multiple local governments and established low-altitude economy application demonstration centers, propelling the deployment and application of helicopters and manned airships in diverse scenarios such as emergency rescue, tourism sightseeing and logistics transportation. The jointly developed future aircraft concept model “Purple Flame” made its debut at the Tianjin International Helicopter Exposition\* (天津國際直升機博覽會) and the AERO ASIA\*(亞洲通用航空展), where the concept of “Aerospace High-Tech Transforming Future Life” garnered widespread public attention.

**The effectiveness of corporate governance continued to improve, with brand image being steadily refreshed.** The Group further refined its modern corporate systems, continuously optimized corporate governance structures, and solidified the foundation for standardized operations. It deepened engagement with long-term capital, patient capital and strategic capital, optimized capital structure, upheld value creation and shareholder returns, thus winning multiple prestigious awards in the capital market, with its market influence steadily growing. It remained committed to the development of green aviation, built a green manufacturing system for the entire industrial chain

under the guidance of the “dual carbon” strategy, and empowered the high-quality development of the aviation industry through green and low-carbon transformation, thereby fortifying a solid foundation for sustainable development.

The year 2026 marks the pivotal year for initiating and laying the groundwork for the 15th Five-Year Plan for National Economic and Social Development. The evolving international situations profoundly impacts domestic development, placing China in a period where strategic opportunities coexist with risks and challenges, amid increasing uncertainties and unforeseeable factors. The Group will focus on its development strategy, maintain strategic momentum, and pursue progress while ensuring stability. Through relentless effort and steadfast execution, the Group will accelerate the building of itself as a world-class aviation high-tech industry group characterised by product excellence, prestigious brands, leading innovation and modern governance:

1. The Group will strengthen core functions and enhance core competitiveness. It will intensify strategic deployment in cutting-edge fields, cultivate and expand new quality productive forces, deepen and enhance industrial control capabilities, and continuously build talent competitiveness to persistently forge new momentum and establish new advantages;
2. The Group will focus on building the low-altitude economy industrial ecosystem. It will seize opportunities in low-altitude economic development, coordinate high-quality resources across the industrial chain, explore a collaborative model spanning the entire chain of “research and development - manufacturing - operations - services”, and continuously expand diverse application scenarios such as emergency rescue, tourism sightseeing, logistics transportation and urban services. By fully leveraging synergistic effects, it will activate new momentum for the development of low-altitude economy through ecosystem-driven growth;
3. The Group will accelerate the transformation of scientific and technological achievements. By focusing on industrial development needs, strengthening the efforts in tackling key core technology for flight control of intelligent electric aircraft, promoting deep integration of scientific and technological innovation with industrial innovation, and deepening cooperation with universities and research institutions, it will refine the mechanism integrating industry, academia, research and application and accelerate the transformation of scientific and technological achievements to inject new momentum for the high-quality development;
4. The Group will enhance the quality and efficiency of the helicopter industry development. By accelerating the development of models under research, exploring new models for market development, improving brand communication, strengthening scientific and technological

innovation, advanced manufacturing and collaborative development, it will speed up the building of a world-class helicopter enterprise;

5. The Group will continuously leverage synergies across the airborne industry chain. By focusing on core segments of airborne equipment, strengthening industrial advantages, and enhancing the resilience and value creation capabilities of the airborne industry chain, it strives to build itself as a world-class airborne equipment supplier. The Group will continuously drive industrial innovation and upgrading via accelerating the deployment of new domains and new quality technologies and giving full play to the dual drivers of digital intelligence and intelligent manufacturing;
6. The Group will continuously expand new market segments. It will seize the development opportunities of domestic commercial aircraft represented by the domestic large aircraft project and accelerate the dedicated tackling of domestic large aircraft programs; optimize the layout of international business on an ongoing basis, and establish a new industrial development pattern featuring the domestic large cycle as the mainstay and the mutual promotion of domestic and international dual cycles; and
7. The Group will continuously refine the construction of the modern enterprise system. It will improve corporate governance structure, enhance corporate governance efficiency; uphold value creation while maintaining close shareholder engagement, persistently optimize the equity structure, and leverage the empowering advantages of the capital market. It will adhere to the concept of sustainable development in green aviation industry. By deeply practicing the “dual carbon” strategy, and strengthening innovation in green aviation technologies, it aims to drive green and low-carbon transformation across the entire industry chain, and continuously empower the high-quality development.

## **Cash Flow and Financial Resources**

### **1 Liquidity and Capital Resources**

As at 31 December 2025, the Group’s cash and cash equivalents amounted to RMB29,054 million, which was mainly derived from the following sources:

- cash and bank deposits at the beginning of 2025; and
- funds generated from its operations.

The Group's cash flow for each of the years 2025 and 2024 was as follows:

*Unit: RMB million (except for percentage)*

<b>Main items of cash flow</b>	<b>2025</b>	<b>2024</b>	<b>Changes</b>	<b>Change rate</b>
			<i>(amount)</i>	<i>(percentage)</i>
Net cash flows from (used in) operating activities	(8,121)	2,170	(10,291)	N/A
Net cash flows (used in) investing activities	(2,603)	(5,367)	2,764	51.50%
Net cash flows from financing activities	442	5,336	(4,894)	-91.72%

## **2 Operating, Investing and Financing Activities**

Net cash outflows from operating activities of the Group for the year 2025 amounted to RMB8,121 million, representing an increase of net outflows by RMB10,291 million as compared with the net cash inflows of RMB2,170 million in the corresponding period of the preceding year, which was mainly due to the year-on-year increase in payments for commodity purchases during the reporting period.

Net cash outflows from investing activities of the Group for the year 2025 amounted to RMB2,603 million, representing a decrease of net outflows by RMB2,764 million as compared with the net cash outflows of RMB5,367 million in the corresponding period of the preceding year, which was mainly attributable to the purchase of structured deposits with idle raised funds by the Company's subsidiary AVICOPTER in the preceding year.

Net cash inflows from financing activities of the Group for the year 2025 amounted to RMB442 million, representing a decrease of net inflows by RMB4,894 million as compared with the net cash inflows of RMB5,336 million in the corresponding period of the preceding year, which was mainly attributable to the completion of the fund raising through share issuance by the Company's subsidiary AVICOPTER in the preceding year, as well as the year-on-year decrease in net amount of new borrowings by certain subsidiaries during the reporting period.

As at 31 December 2025, the Group's total borrowings amounted to RMB20,687 million, of which the short-term borrowings, the current portion of long-term borrowings and the non-current portion of long-term borrowings amounted to RMB12,296 million, RMB3,851 million and RMB4,540 million, respectively.

The Group's long-term borrowings are repayable as follows:

<b>Maturity</b>	<b>RMB million</b>
Within one year	3,851
In the second year	2,943
In the third to fifth year	1,385
After the fifth year	212
<b>Total</b>	<b>8,391</b>

As at 31 December 2025, the Group's bank borrowings amounted to RMB7,297 million with a weighted average interest rate of 2.1% per annum, accounting for 35.27% of the total borrowings. Other borrowings amounted to RMB13,390 million with a weighted average interest rate of 2.1% per annum, accounting for 64.73% of the total borrowings.

As at 31 December 2025, there was no significant balance of borrowings denominated in foreign currencies.

### **Gearing Ratio**

As at 31 December 2025, the Group's gearing ratio was 10.01% (as at 31 December 2024: 8.79%), which was calculated by dividing the total borrowings by the total assets as at 31 December 2025.

### **Contingent Liabilities**

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

### **Guaranteed and Secured Loans**

As at 31 December 2025, the Group's mortgaged and pledged borrowings amounted to RMB243 million, of which RMB92 million was secured by house buildings with a net book value of RMB7 million; RMB151 million was secured by notes receivable and accounts receivable with a net book value of RMB151 million.

Borrowings placed under guarantees amounted to RMB55 million, of which RMB55 million represented guarantees provided by subsidiaries, and no guarantees provided by non-related parties.

## Exchange Rate Risks

The Group mainly operates in the PRC with most of its transactions settled in RMB. The exposure to foreign currencies exchange risks arising from transactions involving assets, liabilities and operating activities of the Group are primarily associated with United States Dollar, Euro and Hong Kong Dollar. The Directors consider that the exchange rate risks to the Group will not have any material adverse impact on the Group's financial results.

During the reporting period, the Group did not have any foreign currency hedging instruments.

## Employees

As at 31 December 2025, the Group had 71,800 employees. The Group has provided appropriate emoluments, benefits and trainings to its employees.

<b>Employees breakdown (by business segments)</b>	<b>Number of employees</b>	<b>Percentage to total number of employees (%)</b>
Aviation entire aircraft business	15,652	21.80
Aviation ancillary system and related business	53,741	74.85
Aviation engineering services business and others	2,407	3.35
<b>Total</b>	<b>71,800</b>	<b>100.00</b>

For the year ended 31 December 2025, the total staff costs of the Group amounted to RMB17,352 million, representing a decrease of RMB457 million or 2.57% as compared with that of RMB17,809 million in the corresponding period of the preceding year.

## Purchase, Sale and Redemption of Listed Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares) for the year ended 31 December 2025.

As at 31 December 2025, the Company did not hold any treasury Shares.

## Other Significant Events During the Reporting Period

On 28 March 2025, the Board of the Company resolved to propose, on the premise of maintaining the Company's controlling stake in AVICOPTER, the non-public issuance of exchangeable corporate bonds (the "**Proposed Issuance of Exchangeable Corporate Bonds**") with a portion of A shares of AVICOPTER held by the Company as the underlying assets. Upon completion of the Proposed Issuance of Exchangeable Corporate Bonds, the Company will submit an application to the Shanghai Stock Exchange for the listing and transfer of these exchangeable corporate bonds (the "**Exchangeable Corporate Bonds**"). The proposed issuance term of the Proposed Issuance of Exchangeable Corporate Bonds is no more than 3 years (inclusive), with a fundraising scale of no more than RMB1 billion (inclusive). The funds raised are intended to be used for supplementing working capital. Upon fulfillment of the share exchange conditions, the holders of the Exchangeable Corporate Bonds are entitled to convert their bonds into AVICOPTER's A shares within the designated conversion period. As at 28 March 2025, the Company directly held 50.90% of the equity interest in AVICOPTER. It is expected that after the completion of conversion of the Exchangeable Corporate Bonds, AVICOPTER will still be a non-wholly owned subsidiary of the Company. For details, please refer to the announcement of the Company dated 28 March 2025. Unless the context otherwise defined, terms used in this paragraph shall have the same meanings as those defined in such announcement.

On 24 November 2025, based on the recognition of the Company of the long-term investment value of AVICOPTER and confidence in its stable future development, as well as confidence in the development prospects of China's capital market, the Company increased its shareholding in AVICOPTER by purchasing 1,391,700 A shares of AVICOPTER through centralized price bidding on the trading system of the Shanghai Stock Exchange, representing approximately 0.17% of the total issued shares of AVICOPTER as at the date of the share increase. Upon the completion, the Company directly held 418,746,503 A shares of AVICOPTER, representing approximately 51.07% of the total issued shares of AVICOPTER.

On 12 December 2025, the Board considered and approved the proposed implementation of the conversion of 261,522,000 Domestic Shares held by National Industrial Investment Fund, a shareholder of the Company, representing approximately 3.28% of the total issued Shares of the Company as at the date of this announcement, into H Shares (the "**H Share Full Circulation**"). The H Share Full Circulation remains subject to all relevant approvals for its implementation, including the filing of the H Share Full Circulation, the conversion of the aforementioned Domestic Shares into H Shares, and the Hong Kong Stock Exchange's approval for the listing and trading of such H

Shares on the Main Board of the Stock Exchange (the “**Conversion and Listing**”). As at the date of this announcement, the Company has not yet submitted the application and filing documents for the H Share Full Circulation to the CSRC, nor has it applied to the Hong Kong Stock Exchange for the Conversion and Listing. Pursuant to the Articles of Association, the Conversion and Listing does not require Shareholder approval at Shareholders’ meeting. The Company will make further announcement(s) on the progress of the H Share Full Circulation and the Conversion and Listing as and when appropriate in accordance with the requirements of the Inside Information Provisions and/or the Hong Kong Listing Rules. Unless the context otherwise defined, terms used in this paragraph shall have the same meanings as those defined in such announcement.

On 12 December 2025, in accordance with the amended Articles of Association approved by the Shareholders, the Company would not establish Supervisory Committee or Supervisors, and the Audit and Risk Management Committee shall exercise the functions and powers of the Supervisory Committee as stipulated in the Company Law of the PRC.

Save as disclosed above, no other significant events occurred during the reporting period.

## **Results, Dividend and Dividend Policy**

The Board recommended the payment of a final dividend for the year 2025 in an aggregate amount of RMB530,194,807, representing a dividend of RMB0.0665 per Share (2024: RMB0.081 per Share), calculated based on the existing number of total issued Shares of 7,972,854,242 Shares of the Company as at the date of this announcement, subject to adjustment (if any) based on the number of total issued Shares on Friday, 29 May 2026 (the “**Record Date**”).

The final dividend will be paid to those Shareholders whose names appear on the Company’s register of members at the close of business on the Record Date. To determine the identity of the Shareholders entitled to receive the final dividend, the Company’s register of members will be closed from Sunday, 24 May 2026 to Friday, 29 May 2026 (both days inclusive), during which period no transfer of H Shares of the Company will be registered. In order to be entitled to receive the final dividend, all transfer instruments accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the Company’s H Shares registrar, by not later than 4:30 p.m. on Friday, 22 May 2026.

In accordance with Article 137 of the Articles of Association, the dividend will be declared in RMB to the Shareholders. The dividend payable to Domestic Shares Shareholders will be paid in RMB within three months after the dividend declaration date, the dividend payable to H Shares

Shareholders will be denominated and declared in RMB and paid in Hong Kong Dollars within three months after the dividend declaration date. The dividend to be paid in Hong Kong Dollars will be converted based on the average central parity rate between RMB and Hong Kong Dollars issued by the People's Bank of China for the five business days prior to the declaration of dividends at the annual general meeting of the Company to be held on Tuesday, 19 May 2026 (the "2025 AGM"). Subject to the approval of the Company's Shareholders at the 2025 AGM, the aforementioned dividend is expected to be paid by the Company on or before Thursday, 25 June 2026.

The 2025 AGM will be held on Tuesday, 19 May 2026. The H Shares register of members of the Company will be closed from Wednesday, 29 April 2026 to Tuesday, 19 May 2026 (both days inclusive), during which period no transfer of H Shares will be registered. Holders of the H Shares and Domestic Shares whose names appear on the Company's register of members at the opening of business on Tuesday, 19 May 2026 are entitled to attend and vote at the 2025 AGM. In order to be eligible to attend and vote at the 2025 AGM, holders of H Shares shall lodge all transfer instruments together with the relevant share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Shares register, not later than 4:30 pm on Tuesday, 28 April 2026.

According to the Company Law of the PRC, relevant laws and regulations, and the Articles of Association, the profits after payment of the relevant taxation shall be distributed in the following order:

1. make up of losses;
2. transfer to statutory common reserve fund;
3. transfer to discretionary common reserve fund;
4. payment of dividends to ordinary shares.

The determination to pay such dividends shall be made at the discretion of the Board and will be based upon the operating results, cash flows, financial positions, capital requirements and other relevant circumstances that the Board deems relevant and proposed at the Shareholders' meeting for Shareholders' approval.

### **Audit and Risk Management Committee**

As at the date of the announcement, the Audit and Risk Management Committee of the Company comprises the Directors, namely Mr. Mao Fugen, Mr. Zhou Xunwen, Mr. Liu Weiwu and Mr. Lin Guiping. Mr. Mao Fugen is the chairman of the Audit and Risk Management Committee.

The Board has established the Audit and Risk Management Committee in carrying out the duty of assisting the Board and independently monitoring the financial operation, audit procedures and the

risk management operation of the Company. The Terms of Reference of the Audit and Risk Management Committee were formulated and amended from time to time in accordance with the actual situation of the Company and the Guide for the Effective Audit Committee issued by the Hong Kong Institute of Certified Public Accountants and the provisions set out in Part 2 of the Corporate Governance Code.

The Audit and Risk Management Committee assists the Board and independently monitors the financial operation, audit procedures and the risk management operation of the Company, assesses and monitors the effectiveness of the internal control and risk management system of the Company on an ongoing basis, communicate, monitor and review both the internal and external audit work, maintains effective communication with the senior management, financial department, internal audit institution, internal control institution and external auditors of the Company, so as to ensure that the Company has established and maintained appropriate and effective risk management and internal control systems; and shall concurrently exercise the functions and powers of the Supervisory Committee as stipulated in the Company Law of the PRC.

The Audit and Risk Management Committee had reviewed the Group's annual results and consolidated financial statements for the year ended 31 December 2025.

### **Change of Directors, Supervisors and Senior Management**

With effect from 28 March 2025, Ms. Hu Shiwei ceased to be a member of the Audit and Risk Management Committee and was appointed as a member of the Nomination Committee, and Mr. Zhou Xunwen was appointed as a member of the Audit and Risk Management Committee.

Due to the work arrangement, Mr. Xu Gang applied to the Board on 20 May 2025 for resignation from his position as a non-executive Director with effect from 20 May 2025.

At the extraordinary Shareholders' meeting held on 12 December 2025, Mr. Gao Jiming has been appointed as a non-executive Director with a term of office commencing from the date of approval at the extraordinary Shareholders' meeting until the date of approval of the next session of the Board at the Shareholders' meeting of the Company to be held in 2027.

At the extraordinary Shareholders' meeting held on 12 December 2025, the resolution related to proposed amendments to the Articles of Association was considered and approved. Pursuant to the amended Articles of Association, the Company would not establish Supervisory Committee or Supervisors. The Company hereby expresses sincere gratitude towards all Supervisors of the

Supervisory Committee for their contribution to the Company’s development during their tenure!

### **Proposed Change of Non-Executive Director**

#### ***Resignation***

The Board hereby announces that, on 27 March 2026, having reached the statutory retirement age, Mr. Zhou Xunwen (“**Mr. Zhou**”) applied to the Board for resignation from his position as a non-executive Director and member of each of the Development and Strategy Committee, the Audit and Risk Management Committee and the Sustainable Development Committee of the Board. Mr. Zhou’s tenure shall end on the date on which the appointment of the new Director candidate is approved at the 2025 AGM.

Mr. Zhou has confirmed that he has no disagreement with the Board, and there is no matter in relation to his resignation that needs to be brought to the attention of the Board and the Shareholders.

The Company would like to express its sincere gratitude to Mr. Zhou for his valuable contributions to the Company during his term of service.

#### ***Proposed Appointment of Non-Executive Director***

The Board is pleased to announce that, at the Board meeting held on 27 March 2026, Mr. Wang Rong (“**Mr. Wang**”) has been nominated as the candidate for non-executive Director of the eighth session of the Board for a term of office commencing from the date on which his proposed appointment is approved at the 2025 AGM until the date on which the election of the new session of the Board is resolved at the Shareholders’ meeting to be convened in 2027. As at the date of this announcement, no service contract has been entered into between Mr. Wang and the Company. The remuneration of Mr. Wang will be determined by the Remuneration Committee of the Board by reference to his duties and responsibilities at the Company and the prevailing market conditions, subject to the authorization of the 2025 AGM. Details of the remuneration of Directors will be disclosed in the Company’s annual report.

The biographical details of Mr. Wang are set out as follows:

Mr. Wang Rong, 57, holds a master’s degree and is a professor-level senior accountant. Mr. Wang graduated from the School of Business Administration at Southwest University of Finance and Economics with a master’s degree in business administration. Mr. Wang has previously served as a deputy chief and chief of the finance section at Chengdu Aircraft Electromechanical Products General Corporation\* (成飛機電產品總公司); as a chief finance officer of Chengdu Aircraft

Electromechanical Products General Corporation, dispatched by the Foreign Investment Office of Chengdu Aircraft Company Limited\* (成飛對外投資處); as a deputy director of the audit department of Chengdu Aircraft Industry (Group) Co., Ltd. \* (成都飛機工業(集團)有限責任公司); as a director, deputy general manager, and chief finance officer of Sichuan Chengfei Integration Technology Corporation Limited\* (四川成飛集成科技股份有限公司); and as a deputy director and director of the finance department, assistant general manager and deputy chief accountant at Chengdu Aircraft Industrial (Group) Co., Ltd.. From January 2014 to October 2020, Mr. Wang served successively as a deputy general manager and chief accountant, and later as a director, deputy general manager and chief accountant of AVIC Guizhou Aviation Aircraft Co., Ltd.\*(中航貴州飛機有限責任公司). From October 2020 to March 2022, Mr. Wang served as a deputy director of the internal control and audit committee of the Science and Technology Committee of Chengdu Aircraft Industry (Group) Co., Ltd.\* (成都飛機工業(集團)有限責任公司科學技術委員會). From March 2022 to November 2025, Mr. Wang served as a chief accountant of AVIC Chengdu Aircraft Civil Aircraft Co., Ltd\* (中航成飛民用飛機有限責任公司). Since December 2025, Mr. Wang has been a director of AVIC Airborne Systems Co., Ltd.\* (中航機載系統有限公司) and a non-independent director of AVIC Industry-Finance Holdings Co., Ltd.\* (中航工業產融控股股份有限公司).

As far as the Directors are aware, save as disclosed above, as at the date of this announcement, Mr. Wang does not hold any directorships in other public listed companies in the last three years nor did he hold any position with the Company or other members of the Group, and he does not have any relationship with any Director, senior management, substantial Shareholder or controlling Shareholder of the Company.

As at the date of this announcement, as far as the Directors are aware, Mr. Wang does not hold any interests or short positions within the meaning of Part XV of the SFO in the shares, underlying shares or debentures of the Company or any of its associated corporations.

Save as disclosed above, the Company is not aware of any other information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Hong Kong Listing Rules, nor is there any other matter that need to be brought to the attention of the Shareholders of the Company in relation to the proposed appointment of Mr. Wang as a non-executive Director.

An ordinary resolution to consider and approve the proposed appointment of Mr. Wang as a non-executive Director will be proposed to the 2025 AGM.

A circular containing, among other things, details of the proposed appointment of Mr. Wang as a non-executive Director, together with a notice of the 2025 AGM, will be published by the Company

in due course.

### **Change of Authorised Representative under the Companies Ordinance**

Mr. Cheng Ching Kit has been appointed, in place of Ms. Wong Wai Ling, as the authorised representative of the Company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) authorised to accept on the Company's behalf service of any process or notice required to be served on the Company in Hong Kong, with the service address being 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong, with effect from 27 March 2026.

### **Corporate Governance Code**

The Company has strictly complied with various applicable laws, rules and regulations as well as the Articles of Association and maintained standardized operations. The Board reviewed the corporate governance practices adopted by the Company for the year ended 31 December 2025 and was of the view that the Company complied with the code provisions as set out in Part 2 of the Corporate Governance Code.

### **Model Code for Securities Transactions by Directors and Supervisors**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Hong Kong Listing Rules and the Shares Trading Management Rules for Directors, Supervisors, Senior Management and Employees of the Company as its own guidelines for securities transactions by Directors, Supervisors and relevant employees of the Company. All Directors and Supervisors of the Company have confirmed their compliance with the Model Code in 2025 upon specific enquiries with them.

### **The Annual Report**

The annual report of 2025 will be published on the websites of the Hong Kong Stock Exchange and of the Company (<https://www.avichina.com>) in accordance with Hong Kong Listing Rules in due course.

By Order of the Board  
**AviChina Industry & Technology Company Limited\***  
**Yan Lingxi**  
*Chairman*

Beijing, 27 March 2026

*As at the date of this announcement, the Board comprises executive Directors Mr. Yan Lingxi and Mr. Sun Jizhong, non-executive Directors Mr. Xu Dongsheng, Mr. Zhou Xunwen, Ms. Hu Shiwei and Mr. Gao Jiming as well as independent non-executive Directors Mr. Liu Weiwu, Mr. Mao Fugen and Mr. Lin Guiping.*

*\* For identification purpose only*

## APPENDIX - DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Articles of Association”	Articles of Association of the Company (as amended from time to time)
“AVIC”	Aviation Industry Corporation of China, Ltd. (中國航空工業集團有限公司), a controlling Shareholder of the Company holding directly and indirectly 59.63% equity interest of the Company at the date of the announcement
“AVIC Airborne”	AVIC Airborne Systems Co., Ltd. (中航機載系統股份有限公司), a joint stock limited liability company whose A shares are listed on the Shanghai Stock Exchange, a subsidiary of the Company
“AVIC CAPDI”	China Aviation Planning and Design Institute Co., Ltd. (中國航空規劃設計研究總院有限公司), a wholly-owned subsidiary of the Company
“AviChina” or “Company”	AviChina Industry & Technology Company Limited (中國航空科技工業股份有限公司), a joint stock limited company established in the PRC with limited liability on 30 April 2003
“AVICOPTER”	AVICOPTER PLC (中航直升機股份有限公司), a joint stock limited company whose A shares are listed on the Shanghai Stock Exchange, a subsidiary of the Company
“Board” or “Board of Directors”	the board of directors of the Company
“Chuanxi Machinery”	Sichuan Aviation Industry Chuanxi Machinery Co., Ltd. (四川航空工業川西機器有限責任公司), a subsidiary of AVIC Airborne
“Corporate Governance Code”	the Corporate Governance Code, as set out in the Appendix C1 to the Hong Kong Listing Rules (as amended from time to time)
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the ordinary share(s) of the Company, with a nominal value of RMB1.00 each, which are subscribed for or credited as fully paid in Renminbi by PRC nationals and/or PRC corporate entities
“Group”	the Company and its subsidiaries

“H Share(s)”	the overseas listed foreign invested share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Hong Kong Stock Exchange
“Hong Kong 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
“Hongdu Aviation”	Jiangxi Hongdu Aviation Industry Co., Ltd. (江西洪都航空工業股份有限公司), a joint stock limited company whose A shares are listed on the Shanghai Stock Exchange, a subsidiary of the Company
“JONHON”	Jonhon Optronic Technology Co., Ltd (中航光電科技股份有限公司), a joint stock limited liability company whose A shares are listed on the Shenzhen Stock Exchange, a subsidiary of the Company
“Oriental Instrument”	Shaanxi Oriental Aeronautic Instrument Manufacture Co., Ltd. (陝西東方航空儀錶有限責任公司), a subsidiary of AVIC Airborne
“PRC” or “China”	the People’s Republic of China
“reporting period”	the period from 1 January 2025 to 31 December 2025
“RMB”	Reminibi, the lawful currency of PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended from time to time)
“Shaanxi Huayan”	AVIC Shaanxi Huayan Aero-Instrument Co., Ltd. (陝西華燕航空儀錶有限公司), a subsidiary of AVIC Airborne
“Shareholder(s)”	holder(s) of Share(s) of the Company
“Share(s)”	the ordinary share(s) of the Company
“Supervisor(s)”	the supervisor(s) of the Company. Pursuant to the amendments to the Articles of Association approved by the Shareholders on 12 December 2025, the Company no longer established Supervisory Committee or Supervisors
“Supervisory Committee”	the supervisory committee of the Company. Pursuant to the amendments to the

Articles of Association approved by the Shareholders on 12 December 2025, the Company no longer established Supervisory Committee or Supervisors