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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Development Bank Financial Leasing Co., Ltd. (國銀金融租賃股份有限公司), you should at once hand this circular, the proxy form and the reply slip to the purchaser or transferee or to the bank or stockbroker or other licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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国银金租

CHINA DEVELOPMENT BANK LEASING

國銀金融租賃股份有限公司*

CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD.*

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

(Stock Code: 1606)

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS ADJUSTMENTS TO FINANCIAL BUDGET FOR THE YEAR 2022 AND ISSUE OF ASSET-BACKED SECURITIES PRODUCT

The 2022 Second Extraordinary General Meeting will be held at 10:00 a.m. on Friday, 30 December 2022 at Conference Room, CDB Financial Center, No. 2003 Fuzhong Third Road, Futian District, Shenzhen, Guangdong Province, the PRC.

A proxy form for use at the 2022 Second Extraordinary General Meeting has been dispatched on 11 November 2022 and is also published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.cdb-leasing.com>). If you intend to appoint a proxy to attend the 2022 Second Extraordinary General Meeting, you are reminded to complete and return the proxy form in accordance with the instructions printed thereon as soon as possible but in any event not less than 24 hours (i.e. 10:00 a.m. on Thursday, 29 December 2022) before the time fixed for holding the 2022 Second Extraordinary General Meeting or at any adjournment thereof. Completion and return of the proxy form will not preclude you from attending the 2022 Second Extraordinary General Meeting and voting in person if you so wish. Shareholders who intend to attend the 2022 Second Extraordinary General Meeting in person or by proxy should have completed and returned the reply slip dispatched on 11 November 2022 in accordance with the instructions printed thereon on or before Friday, 9 December 2022.

* CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD. is (a) not an authorized institution within the meaning of the Banking Ordinance; (b) not authorized to carry on banking/deposit-taking business in Hong Kong; and (c) not subject to the supervision of the Hong Kong Monetary Authority.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2022 Second Extraordinary General Meeting”	the 2022 second extraordinary general meeting of the Company to be held at 10:00 a.m. on Friday, 30 December 2022 at Conference Room, CDB Financial Center, No. 2003 Fuzhong Third Road, Futian District, Shenzhen, Guangdong Province, the PRC
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“CBIRC”	China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會)
“CBIRC Shenzhen Office”	Shenzhen Office of China Banking and Insurance Regulatory Commission
“CDB”	China Development Bank, a company established in the PRC in 1994 and converted into a company with limited liability in 2017, the controlling shareholder of the Company which holds 64.40% equity interest of the Company
“China” or the “PRC”	the People’s Republic of China
“Company”	China Development Bank Financial Leasing Co., Ltd. (國銀金融租賃股份有限公司), a company established in the PRC in 1984 and converted into a joint stock limited company on 28 September 2015, the H Shares of which are listed on the Stock Exchange with the stock code of 1606
“Director(s)”	director(s) of the Company

DEFINITIONS

“Domestic Share(s)”	ordinary shares in the Company’s share capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“H Share(s)”	overseas listed foreign share(s) contained in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company, including H Share(s) and Domestic Share(s)
“Shareholder(s)”	holders of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percent

LETTER FROM THE BOARD



国银金租

CHINA DEVELOPMENT BANK LEASING

國銀金融租賃股份有限公司*

CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD.*

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

(Stock Code: 1606)

Executive Directors:

Ms. MA Hong (*Chairman*)

Mr. HUANG Min

Non-executive Directors:

Mr. LI Yingbao

Mr. YANG Guifang

Independent Non-executive Directors:

Mr. ZHENG Xueding

Mr. XU Jin

Mr. ZHANG Xianchu

Registered Office:

CDB Financial Center

No. 2003 Fuzhong Third Road

Futian District

Shenzhen

Guangdong Province

the PRC

Principal Place of Business in Hong Kong:

31/F, Tower Two, Times Square

1 Matheson Street

Causeway Bay

Hong Kong

13 December 2022

To the Shareholders

Dear Sir or Madam,

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

ADJUSTMENTS TO FINANCIAL BUDGET FOR THE YEAR 2022

AND

ISSUE OF ASSET-BACKED SECURITIES PRODUCT

INTRODUCTION

The purpose of this circular is to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the meeting as described below.

At the 2022 Second Extraordinary General Meeting, ordinary resolutions will be proposed (i) to consider and approve the appointment of independent non-executive Directors; and (ii) to consider and approve the adjustments to the Company's financial budget for the year 2022; and a special resolution to consider and approve the issue of asset-backed securities product.

LETTER FROM THE BOARD

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Ordinary resolutions will be proposed at the 2022 Second Extraordinary General Meeting to approve the appointments of Mr. LI Haijian (“**Mr. LI**”), Mr. SHANG Wenjiang (“**Mr. SHANG**”) and Mr. LIU Min (“**Mr. LIU**”) as independent non-executive Directors.

The Board has considered and approved at its meeting held on 31 October 2022 that Mr. LI, Mr. SHANG and Mr. LIU have been nominated as independent non-executive Director candidates. The appointments of Mr. LI, Mr. SHANG and Mr. LIU shall take effect from the date on which approvals at the 2022 Second Extraordinary General Meeting and from the CBIRC Shenzhen Office are obtained in respect of their qualifications for directorship until the expiry of the term of the second session of the Board. Mr. LI, Mr. SHANG and Mr. LIU, as independent non-executive Directors, may offer themselves for re-election upon expiry of their terms.

In accordance with Rule 13.51(2) of the Listing Rules, the biographical details of Mr. LI, Mr. SHANG and Mr. LIU are set out in Appendix to this circular. Save as disclosed in Appendix to this circular, Mr. LI, Mr. SHANG and Mr. LIU confirm that, as at the date of this circular: (1) they have not held any other directorships in other listed public companies in the past three years, and they do not hold any other major appointments or professional qualifications; (2) they do not hold any position in the Company or any of its subsidiaries; (3) they do not have any relationships with any directors, supervisors, senior management, substantial shareholders or controlling shareholders of the Company and any of its subsidiaries; (4) they do not hold any interest in the shares of the Company within the meaning of Part XV of the Hong Kong Securities and Futures Ordinance; and (5) there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter relating to their appointments that needs to be brought to the attention of the Shareholders.

If Mr. LI, Mr. SHANG and Mr. LIU are elected as independent non-executive Directors at the 2022 Second Extraordinary General Meeting and the approval of their qualification for directorship by the CBIRC Shenzhen Office has been obtained, the Company will enter into service contracts with them. Each will receive his remuneration and allowance during his term of office in accordance with the Company’s remuneration plan for Directors and the remuneration management system of the Company.

ADJUSTMENTS TO THE COMPANY’S FINANCIAL BUDGET FOR THE YEAR 2022

Due to the substantial change to the underlying assumptions for preparation of the annual financial budget of the Company as compared with the time when the budget was determined, the full impairment of the nine aircraft stranded in Russia is expected to have a significant impact on the budget execution; as a result of which, the Company re-evaluated the net profit budget for 2022 and applied for adjustment from the original plan of RMB4,120 million to no less than RMB3,300 million. Meanwhile, other budget indicators related to net profit have been adjusted and reduced accordingly.

Pursuant to the provisions of the Articles of Association, adjustments to the financial budget are subject to the Shareholders’ approval at a general meeting of the Company. The relevant resolution will be put forward by way of an ordinary resolution at the 2022 Second Extraordinary General Meeting for Shareholders’ approval.

LETTER FROM THE BOARD

ISSUE OF ASSET-BACKED SECURITIES PRODUCT

In order to improve the Company's capital position and establish a market-oriented pathway of asset circulation, the Board resolved to propose the issue of the asset-backed securities product of not more than RMB3 billion upon the Shareholders' approval by a special resolution at the 2022 Second Extraordinary General Meeting along with the approval of the relevant PRC regulatory authorities.

Pursuant to the provisions of the Articles of Association, the issue of the asset-backed securities product is subject to the Shareholders' approval at a general meeting of the Company. The relevant resolution will be put forward by way of a special resolution at the 2022 Second Extraordinary General Meeting for Shareholders' approval.

Details of the issue of the asset-backed securities product of the Company, if proceeded, are as follows:

Issue scale:	Not more than RMB3 billion (based on the outstanding balance after the issuance), and subject to the requirements of the relevant laws and regulations on the upper limit of the issue scale
Issue price and interest rate:	To be determined based on the yield of the underlying assets and the domestic market conditions at the time of issuance
Term:	Unrestricted fixed term to be determined based on the term of the underlying assets and the structure of the asset-backed securities product
Listing place:	To be determined according to the actual situation of the Company and the market situation at the time of issuance
Target subscribers:	Qualified domestic investors, which may include CDB and/or its associates, and other independent third parties
Issue method:	To be publicly issued on a one-off or multiple issuances or multi-tranche issuance basis at the PRC inter-bank bond market, which is subject to approval by or filing with the CBIRC and other relevant regulatory authorities in accordance with relevant regulations
Use of proceeds:	To be used for the Company's business operations and supplement working capital, including but not limited to repayment of loans and/or financing of business, etc.

LETTER FROM THE BOARD

It is submitted to the Shareholders to authorize the Board, and approve the Board to further authorize the senior management of the Company to deal with all matters in relation to the issue of the asset-backed securities product at its absolute discretion, including but not limited to the following:

- (i) in accordance with the applicable laws, regulations and relevant provisions from the regulatory authorities as well as the resolution passed at the Company's general meeting for such purposes and based on the specific conditions of the Company and the debt market, to apply for the relevant business qualifications from the regulatory authorities and formulating or adjusting the specific plans for the issue of the asset-backed securities product, including but not limited to, the issuer(s), issue structure, issue timing, specific amount and method of issuance, issue terms, target subscribers, duration of the issue, issue arrangement, nominal value, interest rate, pricing method, rating arrangement, specific methods of application and subscription, whether to set terms of repurchase or redemption, use of proceeds, registration, place of listing and trading, risk mitigation measures, measures to ensure debt repayment, etc.;
- (ii) to determine the engagement of underwriters and agencies, to sign, execute, amend and complete relevant agreements and to make information disclosure;
- (iii) to select and engage trustee(s) and clearance/settlement manager(s), to sign relevant agreements and to formulate rules for meetings of the holders of the asset-backed securities product, if applicable;
- (iv) to handle all applications and listing matters with regard to the issue of the asset-backed securities product, including but not limited to preparing, revising and submitting relevant application materials and to sign the relevant applications, filing documents and other legal documents; and
- (v) to make relevant adjustments to matters relating to the issue of the asset-backed securities product according to changes in the opinions of the regulatory authorities, policies or market conditions, or determining whether to continue with all or part of the work in respect of the issue of the asset-backed securities product in accordance with the actual situation, except for matters required to be re-voted at the Company's general meeting pursuant to the relevant laws, regulations and the Articles of Association.

The validity period of the resolution relating to the issue of asset-backed securities product (if approved) and the above authorization (if granted) will be effective from the date of the approval by the Shareholders at the 2022 Second Extraordinary General Meeting until the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period required by the Articles of Association or other relevant laws to hold the next annual general meeting of the Company; and (iii) the passing of a special resolution by the Shareholders at the general meeting to revoke or modify the authorization granted by the above resolution.

LETTER FROM THE BOARD

The issue of the asset-backed securities product may or may not proceed, the Shareholders and investors of the Company are advised to exercise caution when dealing in the Shares.

2022 SECOND EXTRAORDINARY GENERAL MEETING

Notice of the 2022 Second Extraordinary General Meeting to be held at 10:00 a.m. on Friday, 30 December 2022 at Conference Room, CDB Financial Center, No. 2003 Fuzhong Third Road, Futian District, Shenzhen, Guangdong Province, the PRC has been published on the websites of the Stock Exchange and the Company on 11 November 2022.

For determining the entitlement of the Shareholders to attend the 2022 Second Extraordinary General Meeting, the register of members for H Shares has been closed from Wednesday, 30 November 2022 to Friday, 30 December 2022 (both days inclusive). The Shareholders whose names appear on the register of members of the Company on Friday, 30 December 2022 are entitled to attend and vote at the 2022 Second Extraordinary General Meeting. Holders of H Shares who wish to attend the 2022 Second Extraordinary General Meeting but have not registered the transfer documents are required to deposit the transfer documents together with the relevant share certificates at the H share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited (the address is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong) by no later than 4:30 p.m. on Thursday, 29 December 2022.

PROCEDURES FOR VOTING AT THE 2022 SECOND EXTRAORDINARY GENERAL MEETING

According to Rule 13.39(4) of the Listing Rules, the votes of the Shareholders at the 2022 Second Extraordinary General Meeting will be taken by poll.

RECOMMENDATION

The Directors are of the view that all the resolutions to be proposed at the 2022 Second Extraordinary General Meeting to be considered and approved by the Shareholders are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that Shareholders vote in favor of all the resolutions to be proposed at the 2022 Second Extraordinary General Meeting.

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

Mr. LI Haijian (李海艦), aged 59. Mr. LI Haijian successively served as an assistant researcher, deputy researcher, researcher, committee member of the Communist Party, assistant to the director and deputy director of the Institute of Industrial Economics of Chinese Academy of Social Sciences (中國社會科學院工業經濟研究所) from June 1987 to January 2020; successively served as a deputy director of the editorial division, deputy editor-in-chief, vice president, president and executive deputy editor-in-chief of the magazine office of China Industrial Economics (《中國工業經濟》) from June 1994 to December 2016; served as the director of the Center for Management Sciences and Innovation and Development of Chinese Academy of Social Sciences (中國社會科學院管理科學與創新發展研究中心) from October 2016 to October 2021, the secretary to the Party Committee and deputy director of the Institute of Quantitative and Technological Economics of Chinese Academy of Social Sciences (中國社會科學院數量經濟與技術經濟研究所) since January 2020 till now and the deputy editor-in-chief of the Journal of Quantitative and Technical Economics (《數量經濟技術經濟研究》) since March 2020 till now. In addition, Mr. LI Haijian served as a senior visiting scholar in University of Illinois, the U.S., from January 1990 to January 1991, concurrently served as an assistant to the director of the Management Committee of Hebei Anping Economic Development Zone (河北安平經濟開發區) (currently known as Hebei Anping New and High-Tech Industrial Development Zone (河北安平高新技術產業開發區)) from January 1994 to December 1994. He has concurrently served as a professor and doctoral tutor of the University of Chinese Academy of Social Sciences (Graduate School) (中國社會科學院大學(研究生院)) since June 2002 till now. Mr. LI Haijian concurrently served as the vice president and executive vice president of China Industrial Economics Society (中國工業經濟學會) from October 2005 to October 2015, a committee member of the Communist Party, assistant to the director and deputy director of the Institute of Industrial Economics of Chinese Academy of Social Sciences (中國社會科學院工業經濟研究所) from October 2005 to January 2020, concurrently served as an independent director of Boomsense Technology Co., Ltd. (邦訊技術股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300312, delisted) from September 2010 to December 2015, concurrently served as the vice president of China Digital Economic Association (中國數字經濟學會) from October 2010 to February 2022.

Mr. LI Haijian graduated from Shandong University (山東大學) and obtained a bachelor's degree in economics in August 1984, and graduated from the Graduate School of Chinese Academy of Social Sciences (中國社會科學院研究生院) and obtained a master's degree in economics in May 1987. He then graduated from the Graduate School of Chinese Academy of Social Sciences (中國社會科學院研究生院) and obtained a doctoral degree in economics in May 1992.

Mr. SHANG Wenjiang (商文江), aged 57. Mr. SHANG Wenjiang served as a lecturer at the faculty of law of Hangzhou University (杭州大學法律系) (currently known as Zhejiang University Guanghua Law School (浙江大學光華法學院)) from July 1985 to August 1993, a postdoctoral researcher at the Institute of Law, Chinese Academy of Social Sciences (中國社會科學院法學研究所) from August 1996 to August 1999, concurrently served as a direct investment consultant of the legal and taxation department of Siemens (China) Limited (西門

子(中國)有限公司) from August 1996 to August 1999, an associate researcher at China Institute of Finance and Banking (中國金融學院) (currently known as University of International Business and Economics (對外經濟貿易大學)) from September 1999 to February 2001, a director of the legal department and the asset disposal and audit committee of China Cinda Asset Management Co., Ltd. (中國信達資產管理股份有限公司) from March 2001 to October 2003. He took a temporary post as an assistant to the head of the People's Government of Banan District, Chongqing (重慶市巴南區人民政府) from October 2003 to October 2004 and as an assistant to the director and the deputy director of the Financial Office of People's Government of Chongqing (重慶市人民政府金融工作辦公室) from October 2004 to May 2008, and was appointed by Central Huijin Investment Ltd. (中央匯金投資有限公司) to concurrently serve as an equity director of Guotai Junan Securities Co. Ltd. (國泰君安證券股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601211) from October 2004 to May 2008. He served as the deputy director of the Financial Office of People's Government of Chongqing (重慶市人民政府金融工作辦公室) from June 2008 to March 2011, the deputy director of the management committee of Chongqing Liangjiang New Area (重慶市兩江新區管理委員會) from April 2011 to October 2014, the vice president, the chairman of the labor union and a researcher of Southwest University of Political Science and Law (西南政法大學) from November 2014 to February 2022, a professor of the Business School of China University of Political Science and Law (中國政法大學) from February 2022 to June 2022. He has been the dean of the Business School and the director of the MBA Education Center of China University of Political Science and Law since June 2022 till now.

Mr. SHANG Wenjiang graduated from East China University of Political Science and Law (華東政法大學) with a bachelor's degree in law in July 1985 and graduated from China University of Political Science and Law with a doctoral degree in law in July 1996.

Mr. LIU Min (劉民), aged 52. Mr. LIU Min served as an assistant professor at the Department of Systems Engineering and Engineering Management of the Chinese University of Hong Kong from August 1996 to August 1999, and a tenured professor at the Department of Finance of the Chinese University of Hong Kong since August 1999 till now. He served as an associate professor at the University of Missouri Columbia from August 2001 to August 2003, and served as an associate director of Shenzhen Finance Institute, CUHK(SZ) (深圳高等金融研究院(香港中文大學(深圳)高等金融研究院) from January 2017 to June 2020. He served as an independent director of Sichuan Jinding (Group) Co., Ltd. (四川金頂(集團)股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600678) since June 2017 till now, an independent director of Shenzhen Ecobeautey Co., Ltd. (深圳美麗生態股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000010) from January 2019 to December 2021, and concurrently served as an independent director of CR Yuanta Fund Management Co., Ltd. (華潤元大基金管理有限公司) since March 2019 till now.

Mr. LIU Min obtained a bachelor's degree in engineering management from the University of Science and Technology of China (中國科技大學) in July 1989, a master's degree in statistics from Duke University in June 1995 and a doctoral degree in economics from Duke University in June 1996. Mr. LIU obtained the qualification certificate as independent director from the Shanghai Stock Exchange in April 2017.