CHINA EVERBRIGHT BANK (EUROPE) S.A.

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ANNUAL REPORT AND FINANCIAL STATEMENTS

Scale With Discipline

The 2024 results of China Everbright Bank (Europe) S.A., the Luxembourg-incorporated European subsidiary of China Everbright Bank Co., Ltd.

FINANCIAL YEAR	1 January - 31 December 2024
REPORTING ENTITY	China Everbright Bank (Europe) S.A.
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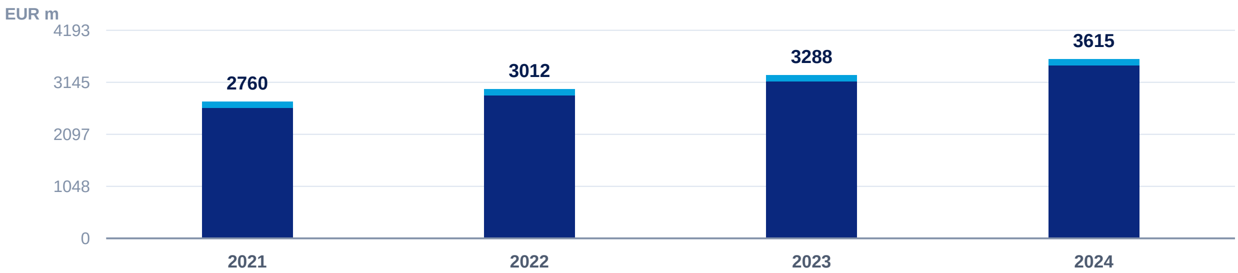
01 GROUP AT A GLANCE

The year the franchise reached operating scale

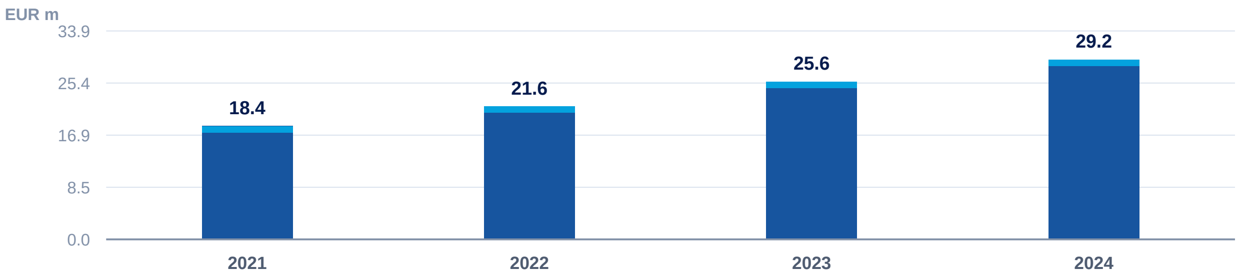
EUR 3,615 m Total assets 31 Dec 2024 (+9.9%)	**EUR 29.2 m** Profit for the year +14.1% year on year	**15.9%** CET1 capital ratio Solo basis	**0.84%** Non-performing loan ratio From 0.91% in 2023
171% Liquidity coverage ratio Regulatory minimum 100%	**44.1%** Cost-to-income ratio From 46.3%	**7.8%** Return on equity After tax	**196** Employees 22 nationalities

2024 was the first full year in which every one of the bank's five operating segments covered its allocated cost base. Total assets grew 9.9 per cent to EUR 3,615 million and profit for the year rose 14.1 per cent to EUR 29.2 million, with the cost-to-income ratio improving to 44.1 per cent.

Total assets
EUR million, at 31 December



Profit for the year
EUR million



02 CHAIRMAN'S STATEMENT

Positioning ahead of the turn in the rate cycle

The dominant question of 2024 was when, not whether, euro-area policy rates would fall. The board's judgement, taken early in the year, was to lengthen the duration of the liquidity buffer while term rates were still elevated and to hold deposit pricing discipline rather than chase balances. Both decisions supported net interest income in the second half and continued to do so in 2025.

The bank also completed the groundwork for two structural changes. The EMTN programme was refreshed and increased, giving access to term wholesale funding independent of the parent, and the depositary and custody platform was upgraded to support alternative investment fund structures with more complex asset classes. Neither contributed materially to 2024 income; both were prerequisites for the growth recorded since.

Capital and the parent

The bank has been self-financing since 2023. Growth in risk-weighted assets during 2024 was funded entirely from retained earnings, and the CET1 ratio still improved by 70 basis points to 15.9 per cent.

On credit quality, the non-performing loan ratio fell to 0.84 per cent. The board is satisfied that this reflects genuine portfolio quality rather than forbearance: stage 2 migration was modest, and the sectors where European banks saw the sharpest deterioration - speculative development real estate and highly leveraged consumer discretionary - are not areas in which this bank has built exposure.

Chairman of the Board of Directors

Luxembourg, 26 March 2025

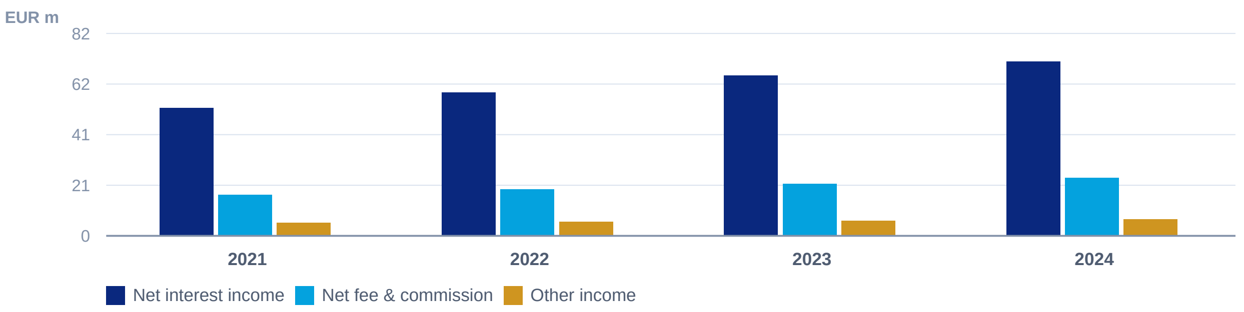
03 BUSINESS AND FINANCIAL REVIEW

Results for the year ended 31 December 2024

EUR million	2024	2023	Change
Net interest income	71.0	65.2	+8.9%
Net fee and commission income	23.6	21.3	+10.8%
Other operating income	6.7	6.2	+8.1%
Operating income	**101.3**	**92.7**	**+9.3%**
Operating expenses	**(44.7)**	**(42.9)**	**+4.2%**
Impairment on financial assets	(17.2)	(15.0)	+14.7%
Profit before tax	**39.4**	**34.8**	**+13.2%**
Income tax expense	(10.2)	(9.2)	+10.9%
Profit for the year	**29.2**	**25.6**	**+14.1%**

Operating income composition

EUR million

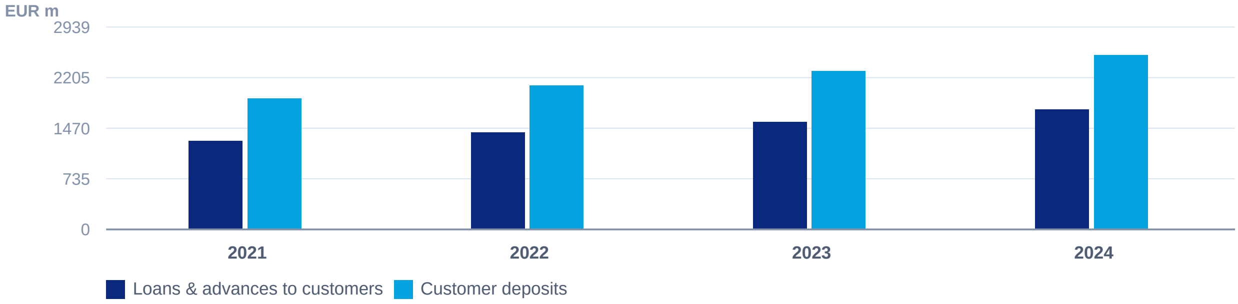


Segment performance

Segment	Op. income	Share	YoY
Corporate & syndicated lending	39.0	38.5%	+8.6%
Trade finance & guarantees	21.2	20.9%	+11.0%
Bond services & DCM	15.3	15.1%	+12.5%
Financial markets & treasury	14.0	13.8%	+5.3%
Institutional wealth & custody	11.8	11.7%	+9.3%
Total	**101.3**	**100.0%**	**+9.3%**

Loans and deposits

EUR million, at 31 December



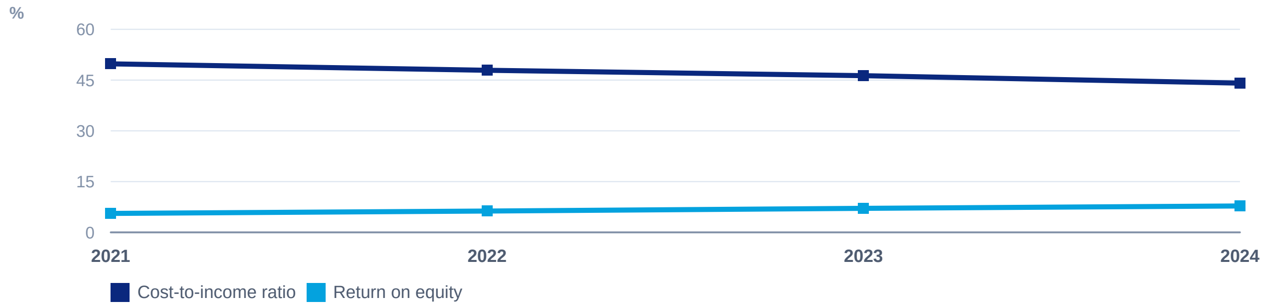
04 RISK, CAPITAL AND LIQUIDITY

Ratios and portfolio composition

15.9% CET1 ratio 31 Dec 2024	**5.7%** Leverage ratio Requirement 3.0%	**171%** LCR Requirement 100%	**135%** NSFR Requirement 100%

Asset quality and efficiency

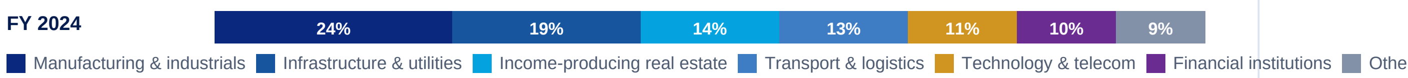
Per cent



Risk-weighted assets grew 6.0 per cent to EUR 2,020 million, slower than the balance sheet, as growth was concentrated in secured and trade-related exposures with lower average risk weights. The single largest exposure represented 8.4 per cent of eligible capital.

Loan portfolio by sector

Indicative share of gross loans, 31 December 2024



Liquidity

The liquidity buffer was lengthened during the year, with the weighted average maturity of the securities portfolio extended from 2.1 to 2.8 years. The loan-to-deposit ratio closed at 68.7 per cent.

05 GOVERNANCE AND SUSTAINABILITY

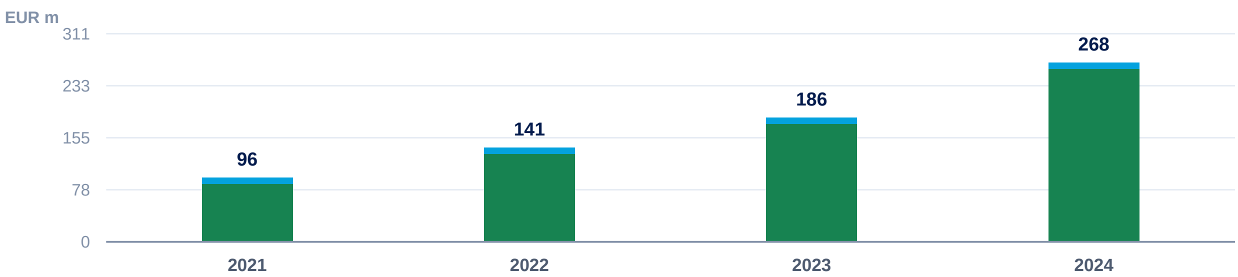
Board, control functions and ESG progress

Board committee	Chair	Members	Meetings 2024
Audit Committee	Independent NED	3	6
Risk Committee	Independent NED	4	6
Remuneration Committee	Independent NED	3	3
Nomination Committee	Independent NED	3	3
Board of Directors	**Chairman**	**6**	**7**

The internal governance framework was reviewed against CSSF Circular 12/552 as amended and the EBA Guidelines on internal governance, with no material findings. Preparatory work for Regulation (EU) 2022/2554 on digital operational resilience began during the year.

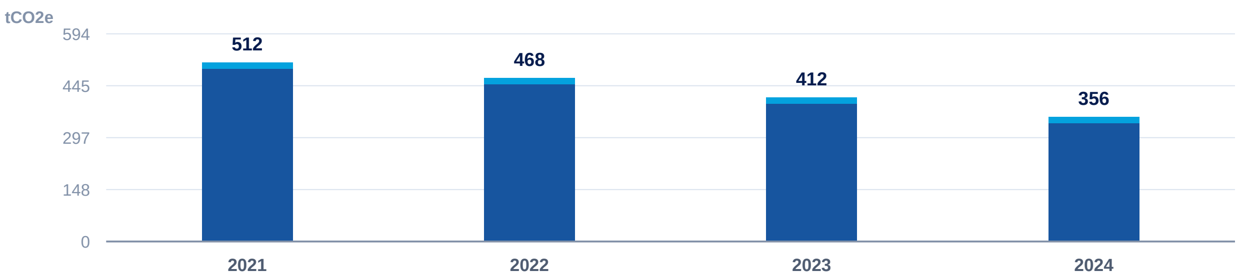
Green and sustainability-linked commitments

EUR million, at 31 December



Own operations: Scope 1 and 2 emissions

Tonnes CO2 equivalent



06 SUMMARY FINANCIAL STATEMENTS

Balance sheet at 31 December 2024

EUR million	2024	2023
Cash and balances with central banks	541	498
Loans and advances to credit institutions	331	308
Loans and advances to customers	1,742	1,566
Debt securities at amortised cost	784	722
Debt securities at fair value through OCI	142	128
Derivative financial instruments	38	34
Property, equipment and intangibles	21	18
Other assets	16	14
Total assets	**3,615**	**3,288**
Deposits from credit institutions	251	238
Customer deposits	2,534	2,301
Debt securities issued (EMTN)	372	308
Subordinated liabilities	48	48
Derivative financial instruments	24	22
Provisions and other liabilities	11	10
Total liabilities	**3,240**	**2,927**
Total equity	**375**	**361**
Total liabilities and equity	**3,615**	**3,288**

Summary presentation. The audited statutory financial statements filed with the CSSF and the Registre de Commerce et des Societes prevail over this summary.

07 FOUR-YEAR RECORD

2021 - 2024

EUR million, unless stated	2021	2022	2023	2024
Total assets (EUR m)	2,760	3,012	3,288	3,615
Loans & advances to customers (EUR m)	1,285	1,412	1,566	1,742
Customer deposits (EUR m)	1,905	2,088	2,301	2,534
Operating income (EUR m)	74.2	83.1	92.7	101.3
Profit for the year (EUR m)	18.4	21.6	25.6	29.2
Total equity (EUR m)	328	343	361	375
CET1 capital ratio (%)	14.6	14.9	15.2	15.9
Liquidity coverage ratio (%)	162	165	168	171
Non-performing loan ratio (%)	1.02	0.96	0.91	0.84
Cost-to-income ratio (%)	49.8	47.9	46.3	44.1
Return on equity (%)	5.6	6.3	7.1	7.8
Employees (FTE)	148	161	178	196

Important notice

This document illustrates the structure and content of the bank's investor disclosures. The financial information is indicative and does not reproduce audited financial statements. Nothing here constitutes an offer of securities or investment advice.