OVERVIEW

The history of our Company can be traced back to November 28, 1997. On September 16, 2010, it was converted into a joint stock company and then renamed Sungrow Power Supply Co., Ltd. (陽光電源股份有限公司). Over near three decades of development, we have grown into a global leader in clean energy technology.

On November 2, 2011, our Company was listed on ChiNext market of the Shenzhen Stock Exchange under the stock code 300274. As of the Latest Practicable Date, our total issued share capital was RMB2,073,211,424, comprising 2,073,211,424 A Shares, of which approximately 30.46% was directly held by Mr. Cao.

KEY DEVELOPMENT MILESTONES

The following table sets out a summary of our Group's key development milestones:

Year	Milestone
1997	The predecessor of our Company, Hefei Sungrow Company Limited (合肥陽光電源有限公司), was established.
2002	We participated in the national "Power Transmission to Villages (送電到鄉)" initiative.
2003	We developed China's first 10kW grid-connected photovoltaic inverter with independent intellectual property rights.
2004	We began to layout in the wind power converter business.
2006	We began to layout our energy storage business, and the SC50 energy storage inverter was first applied in industrial energy storage systems. Our "SUNGROW" brand was successfully registered overseas.
2008	We established our first overseas office in France.
2009	We supplied PV inverters for the first PV grid-connected power generation concession project in China.

Year	Milestone
2010	We established our new energy vehicle department and started to develop our new energy vehicle drive systems business.
	We were converted into a joint stock company with our name changed to Sungrow Power Supply Co., Ltd. (陽光電源股份有限公司)
2011	Our Company was listed on ChiNext market of the Shenzhen Stock Exchange (stock code: 300274).
2015	We established Sungrow Energy Storage Technology Co., Ltd. (陽光儲能技術有限公司) to provide energy storage systems solutions.
	We launched the first 3,300 V medium-voltage full power wind power converter in China.
2016	We commenced research and development of hydrogen energy equipment.
2019	We established the hydrogen energy department.
2021	We launched the 1+X modular inverter, pioneering a new category in the industry.
	We introduced the SG320HX string inverter, the world's first string inverter with a power rating exceeding 300kW.
2022	We developed the world's first 35kV medium-voltage direct-grid-connected PV inverter.
2023	We achieved grid connection and power generation with the world's first 2000V photovoltaic inverter developed by us.
2024	According to BNEF, our energy storage systems and power conversion systems (PCS) rank first globally in terms of bankability.
	According to World Brand Lab, our brand value surpassed RMB100 billion.

Year	Milestone
2025	We launched the PowerTitan 3.0 AC Intelligent Energy Storage Platform, the industry's first to feature mass-produced 684Ah large battery cells. The Plus version is the world's largest single-cabinet lithium battery energy storage system, featuring the highest energy density. We launched the SG465HX, the world's first string inverter with a power rating of 400kW. The world's first 25MW ultra-high-power grid-forming wind power converter developed by us has been successfully deployed. We received the MSCI ESG AAA rating for the first time. We established the AIDC Power Division to strategically expand into the AIDC power supply business.

OUR MAJOR SUBSIDIARIES

The following table sets forth the principal activities and the date and place of incorporation/establishment in respect of each of our major subsidiaries as of the Latest Practicable Date ("**Major Subsidiaries**"):

No.	Name of major subsidiary	Date of incorporation/ establishment	Place of incorporation/ establishment	Principal activities
1. .	Sungrow (zhuhaihengqin) CO., LTD (陽光電源(珠海橫琴)有限公司)	October 24, 2024	PRC	Supply chain services
2. .	Sungrow Developers (Thailand) Co., Ltd.	June 14, 2021	Thailand	Manufacturing industry
3. .	Sungrow Developers India Private Limited	February 21, 2018	India	Manufacturing industry
4. .	Sungrow Energy Storage Technology Co., Ltd. (陽光儲能技術有限公司)	June 15, 2015	PRC	Manufacturing industry
5. .	Sungrow Renewables Development Co., Ltd. (陽光新能源開發股份有限公司)	December 23, 2014	PRC	New energy development
6. .	Sungrow USA Corporation	March 21, 2014	USA	Sale of products
7. .	Sungrow Power (Hong Kong) Co., Limited	March 20, 2014	Hong Kong, China	Sale of products
8. .	Sungrow Deutschland GmbH	September 23, 2011	Germany	Sale of products

Our Company held entire or majority equity interests in the above Major Subsidiaries throughout the Track Record Period.

See "Appendix VI. Statutory and General Information — C. Changes in Share Capital of our Major Subsidiaries" for more details on share capital changes of the Major Subsidiaries.

COMPANY DEVELOPMENT AND MAJOR EQUITY CHANGES

Company Establishment and Early Development

The Company was established as a limited liability company under the laws of the PRC on November 28,1997 by Su Shilin (蘇士林), Xiong Yanfang (熊艷芳), and Liu Fang (劉方), who respectively contributed 50%, 30% and 20% to the initial registered capital of RMB0.5 million by way of currency and physical assets.

In August 2001, Xiong Yanfang and Liu Fang transferred their equity interests to Mr. Cao, recognizing his expertise in the new energy sector. In addition, Mr. Cao made a capital contribution of RMB0.45 million to the Company through physical assets valued at RMB0.46 million. Another Independent Third Party contributed RMB50,000 to the Company through physical assets at RMB50,000. After this share transfer and capital injection, the registered capital of our Company reached RMB1.00 million, with Mr. Cao holding 70% of the Company's share capital.

Upon the completion of several rounds of share transfers and capital injection, the share capital structure of our Company subsequent to the change was as follows as of May 2010:

Name of Shareholder	Registered Capital (in RMB)	Percentage of Shareholding (%)
Mr. Cao	17,400,000	58.00
Zhao Wei	300,000	1.00
Other five Independent Third Parties	12,300,000	41.00
Total	**30,000,000**	**100.00**

Conversion into Joint Stock Limited Company

In September 2010, Our Company was converted into a joint stock company as renamed Hefei Sungrow Power Supply Co., Ltd. (合肥陽光電源股份有限公司), with an initial registered capital of RMB120.00 million. As of September 16, 2010, the shareholding structure of our Company was as below:

Name of Shareholder	Number of Shares (Shares)	Percentage of Shareholding (%)
Mr. Cao	69,600,000	58.00
Zhao Wei	1,200,000	1.00
Other five Independent Third Parties	49,200,000	41.00
Total	**120,000,000**	**100.00**

In October 2010, three Independent Third Parties, and the then Shareholders of the Company entered into a capital increase agreement, pursuant to which, the registered share capital of our Company increased from RMB120.00 million to RMB134.40 million. Following the approval of our shareholders and the relevant regulatory authority, our Company was renamed Sungrow Power Supply Co., Ltd. (陽光電源股份有限公司). Upon completion of the capital increase described above, our Company's shareholding structure was as follows:

Name of Shareholder	Number of Shares (Shares)	Percentage of Shareholding (%)
Mr. Cao	69,600,000	51.79
Zhao Wei	1,200,000	0.89
Other eight Independent Third Parties	63,600,000	47.32
Total	**134,400,000**	**100.00**

Listing on the Shenzhen Stock Exchange

As approved by the CSRC, our A Shares were listed on the Shenzhen Stock Exchange under the stock code 300274 on November 2, 2011 (the "**A-Shares Listing**"). In the A-Shares Listing, we issued an aggregate of 44,800,000 A Shares, accounting for 25% of our Company's then issued shares of 179,200,000 immediately following the A-Shares Listing.

The shareholding structure of our Company immediately after the A-Shares Listing was as follows:

Name of Shareholder	Number of Shares (Shares)	Percentage of Shareholding (%)
Mr. Cao	69,600,000	38.84
Sunny International Investment Enterprise Limited[1]	18,792,000	10.49
Spread Energy Limited[1]	14,808,000	8.26
Hefei Shangge New Energy Investment Co., Ltd. (合肥尚格新能源投資有限公司)[2]	11,724,000	6.54
Shanghai Hanlin Venture Investment Enterprise (Limited Partnership)(上海漢麟創業投資企業（有限合夥）)[1]	10,855,385	6.06
Zhao Wei	1,200,000	0.67
Other A Shareholders[3]	52,220,615	29.14
Total	**179,200,000**	**100.00**

Notes:

(1) Sunny International Investment Enterprise Limited, Spread Energy Limited and Shanghai Hanlin Venture Investment Enterprise (Limited Partnership)(上海漢麟創業投資企業（有限合夥）) each being an independent Third Party, held less than 5% of our issued share capital as of the Latest Practicable Date.

(2) It is currently known as Hefei Huizhuo Equity Investment Partnership Enterprise (Limited Partnership)(合肥匯卓股權投資合夥企業（有限合夥）, "Hefei Huizhuo"). Hefei Huizhuo is the stock ownership platform of our Company and an Independent Third Party, and held less than 5% of our issued share capital as of the Latest Practicable Date.

(3) No other single A Shareholder held more than 5% interests in the Company.

Other Major Shareholding Changes

Profit Distribution Plan and Incentive plan during the Track Record Period and as of the Latest Practicable Date

Since our listing on the Shenzhen Stock Exchange, our Company's share capital changed multiple times due to profit distribution by Shares, adoption of incentive plans and private placement of A Shares. As of December 31, 2021, the share capital of our Company was RMB1,485,215,984.

In May 2022, the Shareholders' meeting resolved to repurchase and deregister the 25,000 restricted Shares awarded to persons who had departed the Company. After completion of the repurchase and deregistration, the share capital of our Company was reduced from RMB1,485,215,984 to RMB1,485,190,984.

In May 2023, the Shareholders' meeting resolved to repurchase and deregister the 40,000 restricted Shares awarded to persons who had departed from the Company. After completion of the repurchase and deregistration, the share capital of our Company was reduced from RMB1,485,190,984 to RMB1,485,150,984.

In May 2024, we adopted the 2023 annual profit distribution plan on conversion of capital reserve into share capital (the "**2023 Profit Distribution Plan**"). After deducting 14,999,883 Shares from the total share capital of 1,485,150,984 Shares, we used the remaining 1,470,151,101 Shares as basis and issued 4 additional Shares to all shareholders for every 10 shares held from the capital reserve, for a total of 588,060,440 Shares. After implementation of the 2023 Profit Distribution Plan, the share capital of our Company was increased from RMB1,485,150,984 to RMB2,073,211,424.

Share Incentive Plans

Since our A Share listing in 2011, there have been several instances of share capital changes of our Company as a result of the repurchase and/or issuance of A Shares by our Company for employee incentive purposes. See "Appendix VI. Statutory and General Information — 4. Our Incentive Plans."

PROPOSED GLOBAL DEPOSITARY RECEIPT APPLICATION

As approved by the Board on October 14, 2024 and by the shareholders of our Company on October 29, 2024, we proposed to issue global depositary receipts ("**GDR**") and list them on the Frankfurt Stock Exchange (the "**Proposed GDR Offering**"), with new underlying A Shares. On October 28, 2025, the shareholders' approval for the Proposed GDR Offering expired. As of the Latest Practicable Date, the Company had no plan to submit to the shareholders meeting proposal on extension of the Proposed GDR Offering.

We are now proceeding to seek a [**REDACTED**] of our H Shares on the Stock Exchange. To the best of our Directors' knowledge, they are not aware of (i) any other matters relating to the Proposed GDR Offering that are relevant to the [**REDACTED**] and should be reasonably highlighted in this document for [**REDACTED**] to form an informed assessment of our Company; (ii) any enquiries from CSRC, the Shenzhen Stock Exchange or the Frankfurt Stock Exchange relating to the Proposed GDR Offering that would affect our Company's suitability for [**REDACTED**] on the Stock Exchange; (iii) any other matters relating to the Proposed GDR Offering that may have implications on our Company's suitability for [**REDACTED**] on the Stock Exchange or on the truthfulness, accuracy and completeness of information disclosed in this document; (iv) any disagreement or dispute between us and the professional parties involving in the Proposed GDR Offering; or (v) any other matters that need to be brought to the attention of the Stock Exchange and [**REDACTED**] in Hong Kong in relation to the Proposed GDR Offering. Based on the independent due diligence conducted by the Sole Sponsor, no material issues have been identified that contradict the Directors' views regarding the Proposed GDR Offering as disclosed above.

MAJOR ACQUISITIONS AND DISPOSALS

We had not carried out any major acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date.

[**REDACTED**]

LISTING ON THE SHENZHEN STOCK EXCHANGE AND REASONS FOR THE [REDACTED] ON THE STOCK EXCHANGE

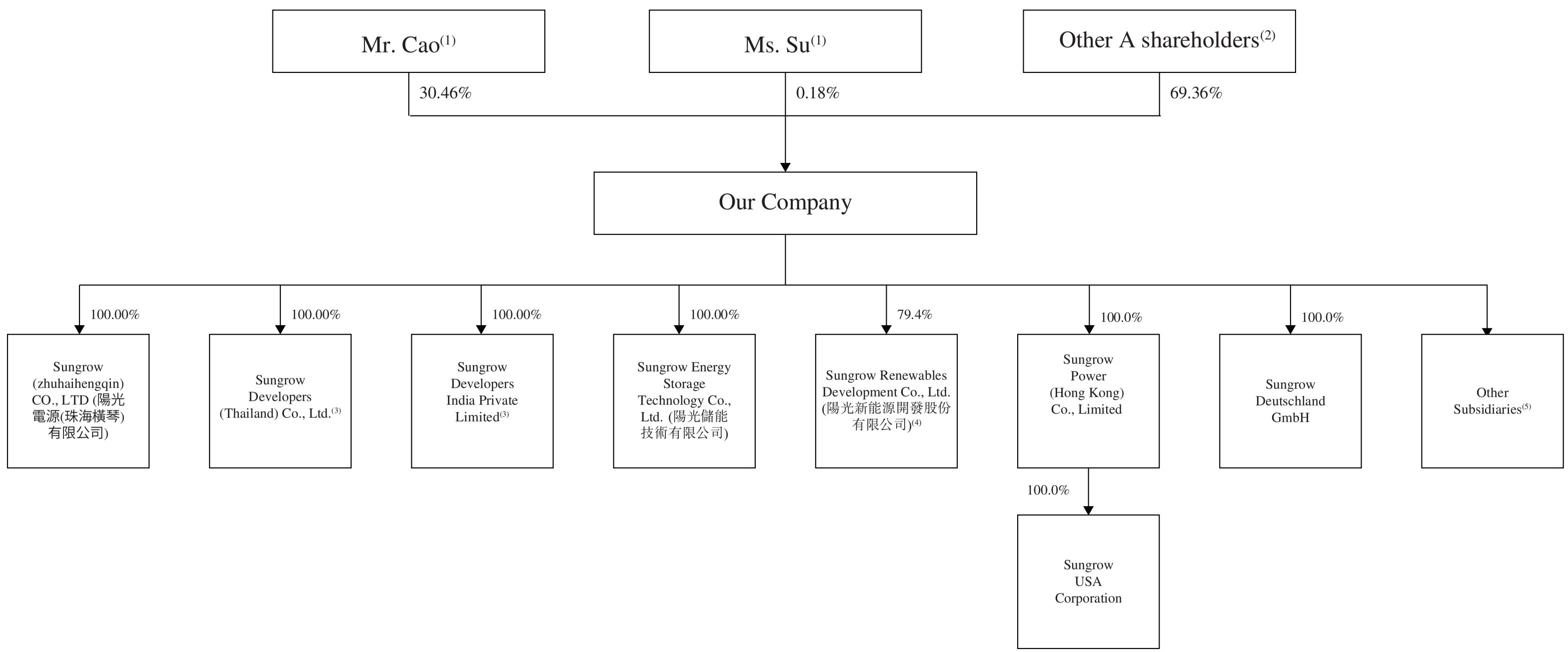
Our Company has been listed on the Shenzhen Stock Exchange since November 2, 2011. As of the Latest Practicable Date, the Directors of Our Company confirmed that we had no instances of material non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable inquiries, there was no material matter that should be brought to the attention of Hong Kong investors in relation to our compliance record on the Shenzhen Stock Exchange. According to confirmation from the PRC Legal Advisor, during the Track Record Period and as of the Latest Practicable Date, our Company has not been subject to any material administrative penalties or regulatory actions imposed by PRC securities regulatory authorities. Since our listing on the Shenzhen Stock Exchange, our Company has complied with all applicable laws and regulations relating to our A-share listing in all material respects up to the Latest Practicable Date. Based on the independent due diligence conducted by the Sole Sponsor, no material issues have been identified that would cause the Sole Sponsor to disagree with the Directors' confirmation regarding our Company's compliance record in connection with its listing on the Shenzhen Stock Exchange.

We believe the [**REDACTED**] and the [**REDACTED**] on the Hong Kong Stock Exchange will help advance our global strategic deployment, enhance our international profile, establish diversified financing channels, and further improve our Company's core competitiveness. See "Business — Our Strategies" and "Future Plans and Use of [**REDACTED**]."

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Shareholding and Corporate Structure Immediately Before the [REDACTED]

The following chart depicts a simplified shareholding and beneficial ownership structure of our Group immediately prior to the completion of the [**REDACTED**] (assuming no changes are made to the issued share capital of our Company between the Latest Practicable Date and [**REDACTED**]):



Notes:

(1) Ms. Su is the spouse of Mr. Cao.

(2) No other single A Shareholder held more than 5% interests in the Company as of the Latest Practicable Date.

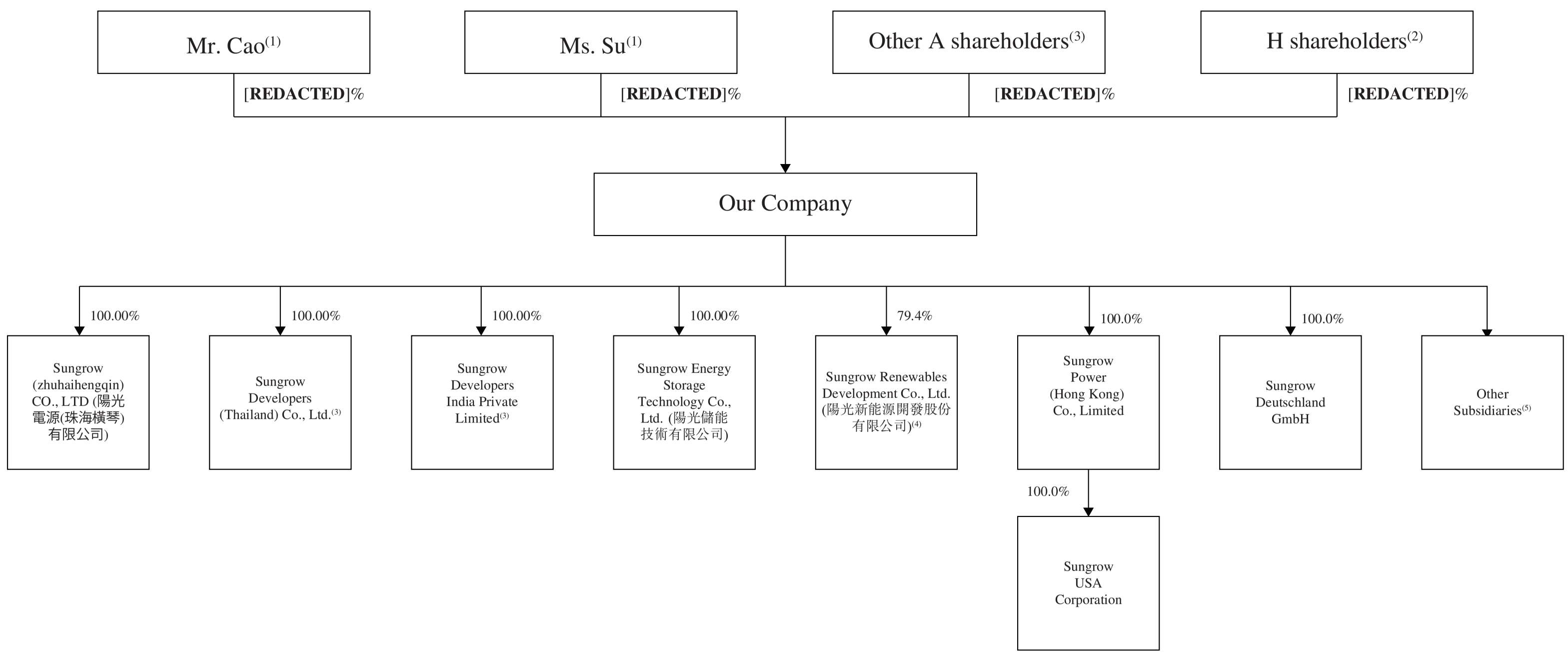
(3) As of the Latest Practicable Date, Sungrow Developers (Thailand) Co., Ltd. and Sungrow Developers India Private Limited were indirectly wholly owned by the Company.

(4) As of the Latest Practicable Date, the remaining interests in Sungrow Renewables Development Co., Ltd. (陽光新能源開發股份有限公司) were held as to 2.79% by Mr. Cao, 1.85% by Mr. Zhang Xucheng, 0.57% by Dr. Gu Yilei and nine other Independent Third Parties (including five our employee stock-holding platforms) which each held less than 5% of the interest.

(5) Our Group also maintains subsidiaries in other jurisdictions not shown in this chart, including but not limited to India, Thailand, and Singapore.

Shareholding and Corporate Structure upon Completion of the [REDACTED]

The following chart depicts the shareholding and beneficial ownership structure of our Group immediately following the completion of the [**REDACTED**], assuming that the [**REDACTED**] and the [**REDACTED**] are not exercised and that no changes are made to the issued share capital of the Company between the Latest Practicable Date and [**REDACTED**]:



Notes: See "— Shareholding and Corporate Structure Immediately Before the [**REDACTED**]*."*