

APPENDIX I

ACCOUNTANTS’ REPORT

The following is the text of a report set out on pages I-[1] to I-[147], received from the Company’s reporting accountants, [Deloitte Touche Tohmatsu], Certified Public Accountants, Hong Kong, for the purpose of incorporation in this Document.

ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF ZHEJIANG CHINT ELECTRICS CO., LTD. (浙江正泰電器股份有限公司) AND CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED, HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED AND GUOTAI JUNAN CAPITAL LIMITED

Introduction

We report on the historical financial information of Zhejiang Chint Electrics Co., Ltd. (浙江正泰電器股份有限公司, the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages I-[4] to I-[147], which comprises the consolidated statements of financial position of the Group as at December 31, 2023, 2024 and 2025, the statements of financial position of the Company as at December 31, 2023, 2024 and 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the three years ended December 31, 2025 (the “**Relevant Period**”) and material accounting policy information and other explanatory information (together, the “**Historical Financial Information**”). The Historical Financial Information set out on pages I-[4] to I-[147] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [REDACTED] (the “**Document**”) in connection with the [REDACTED] of H shares of the Company on the [REDACTED] of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Directors’ Responsibility for the Historical Financial Information

The directors of the Company (the “**Directors**”) are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note [2] to the Historical Financial Information, and for such internal control as the Directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting Accountants’ Responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 “Accountants’ Reports on Historical Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

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Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgment, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note [2] to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants’ report, a true and fair view of the Group’s financial position as at December 31, 2023, 2024 and 2025, of the Company’s financial position as at December 31, 2023, 2024 and 2025, and of the Group’s financial performance and cash flows for the Relevant Period in accordance with the basis of preparation set out in Note [2] to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-[3] have been made.

Dividends

We refer to Note [14] to the Historical Financial Information which contains information about the dividends declared and paid by the Company in respect of the Relevant Period.

[Deloitte Touche Tohmatsu]

Certified Public Accountants

Hong Kong

[Date]

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HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of the Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants’ report.

The consolidated financial statements of the Group for the Relevant Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with IFRS Accounting Standards issued by International Accounting Standards Board (the “**IASB**”) and were audited by us in accordance with Hong Kong Standards on Auditing issued by the HKICPA (“**Underlying Financial Statements**”).

The Historical Financial Information is presented in Renminbi (“**RMB**”), which is also the functional currency of the Company, and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

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CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	NOTES	Year ended December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Revenue	6	57,250,814	64,524,402	59,166,504
Cost of sales		(44,872,958)	(49,600,402)	(43,858,575)
Gross profit		12,377,856	14,924,000	15,307,929
Other income, other gains and losses	7	915,101	686,795	1,107,779
Other expenses	8	(96,849)	(83,626)	(94,381)
Administrative expenses		(2,139,958)	(2,810,193)	(2,945,723)
Selling and marketing expenses		(2,241,379)	(2,643,678)	(2,572,342)
Research and development (“R&D”) expenses		(1,179,215)	(1,267,307)	(1,325,959)
Impairment losses (including reversals of impairment losses) on financial assets and other items	12	(150,349)	(579,686)	(89,834)
Finance costs	11	(1,411,171)	(1,789,498)	(2,003,043)
Share of results of associates and joint ventures		419,725	331,591	238,654
Profit before tax	9	6,493,761	6,768,398	7,623,080
Income tax expense	13	(1,544,913)	(1,557,070)	(1,485,447)
Profit for the year		4,948,848	5,211,328	6,137,633
Other comprehensive income/(expense) for the year				
<i>Items that will not be reclassified subsequently to profit or loss, net of tax:</i>				
Changes in fair value of equity investments at fair value through other comprehensive income (“FVTOCI”)		71,952	(111,415)	207,292
Shares of other comprehensive income in investments in associates and joint ventures		251	783	413
Remeasurements of defined benefit plans		–	–	11
		72,203	(110,632)	207,716

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		Year ended December 31,		
	NOTES	2023	2024	2025
		RMB'000	RMB'000	RMB'000
Items that may be reclassified subsequently to profit or loss, net of tax:				
Shares of other comprehensive income/(expense) in investments in associates and joint ventures		6,903	1,267	(2)
Exchange differences arising on translation of foreign operations		(41,775)	(12,244)	24,590
		(34,872)	(10,977)	24,588
Other comprehensive income/(expense) for the year, net of tax		37,331	(121,609)	232,304
Total comprehensive income for the year		4,986,179	5,089,719	6,369,937
Profit for the year attributable to:				
– Owners of the Company		3,686,138	3,876,416	4,512,302
– Non-controlling interests		1,262,710	1,334,912	1,625,331
		4,948,848	5,211,328	6,137,633
Total comprehensive income for the year attributable to:				
– Owners of the Company		3,709,912	3,773,922	4,665,360
– Non-controlling interests		1,276,267	1,315,797	1,704,577
		4,986,179	5,089,719	6,369,937
Earnings per share				
Basic (RMB)	15	1.73	1.81	2.11
Diluted (RMB)	15	1.73	1.81	2.11

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	NOTES	As at December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Non-current assets				
Property, plant and equipment	20	28,896,523	29,503,508	29,719,403
Right-of-use assets	21	2,650,667	6,754,080	11,296,986
Investment properties	24	374,270	389,820	413,434
Investments in associates and joint ventures	16	5,828,190	5,866,869	6,040,517
Deferred tax assets	25	1,212,661	1,693,688	1,990,479
Intangible assets	22	143,756	136,773	129,450
Goodwill	23	527,624	511,594	490,917
Equity investments at FVTOCI	17	1,722,996	2,193,438	2,834,325
Financial assets at fair value through profit or loss (“FVTPL”)	18	2,762,362	4,303,365	6,434,115
Prepayments, other receivables and other assets	27	4,340,998	5,491,885	7,158,763
Trade receivables	26	3,352	4,658	13,840
		<u>48,463,399</u>	<u>56,849,678</u>	<u>66,522,229</u>
Current assets				
Inventories	28	37,943,634	44,560,792	57,203,968
Trade and note receivables	26	16,306,371	17,042,433	14,822,003
Prepayments, other receivables and other assets	27	5,381,362	6,265,535	4,731,538
Contract assets	6	419,656	996,563	1,042,975
Financial assets at FVTPL	18	11,394	12,550	126,223
Income tax assets		54,518	99,561	135,716
Note receivables at FVTOCI	17	130,493	112,871	148,161
Restricted bank deposits	29	769,243	747,820	968,653
Cash and cash equivalents	29	11,324,586	11,435,730	13,078,471
		<u>72,341,257</u>	<u>81,273,855</u>	<u>92,257,708</u>
Assets classified as held for sale		<u>–</u>	<u>98,645</u>	<u>20,690</u>
		<u>72,341,257</u>	<u>81,372,500</u>	<u>92,278,398</u>
Total assets		<u>120,804,656</u>	<u>138,222,178</u>	<u>158,800,627</u>

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	NOTES	As at December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Current liabilities				
Trade and note payables	31	19,336,161	20,136,115	19,598,707
Accruals and other payables	32	6,373,429	6,975,616	7,167,611
Income tax payables		830,360	737,165	546,556
Borrowings	30	17,530,853	24,761,275	27,700,940
Derivative financial instruments		6,603	1,934	1,201
Lease liabilities	21	192,486	314,654	412,748
Provisions	34	–	179,109	197,764
Contract liabilities	6	4,100,054	3,424,619	6,005,612
Other current liabilities	35	258,516	183,481	126,698
Received in advance	33	20,398	125,622	43,775
		<u>48,648,860</u>	<u>56,839,590</u>	<u>61,801,612</u>
Net current assets		<u>23,692,397</u>	<u>24,532,910</u>	<u>30,476,786</u>
Total assets less current liabilities		<u>72,155,796</u>	<u>81,382,588</u>	<u>96,999,015</u>
Non-current liabilities				
Deferred tax liabilities	25	1,415,218	1,368,557	1,341,228
Borrowings	30	22,040,366	23,044,197	30,714,791
Lease liabilities	21	1,314,724	5,549,947	10,093,177
Provisions	34	323,954	321,323	716,195
Contract liabilities	6	–	84,419	123,795
Deferred income	36	330,117	269,915	213,283
Other non-current liabilities		513	492	1,265
Received in advance	33	224,517	–	–
		<u>25,649,409</u>	<u>30,638,850</u>	<u>43,203,734</u>
Net assets		<u><u>46,506,387</u></u>	<u><u>50,743,738</u></u>	<u><u>53,795,281</u></u>

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	NOTES	As at December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Capital and reserves				
Share capital	37	2,148,969	2,148,969	2,148,969
Treasury shares	38	(1,044,929)	–	(499,977)
Other reserves		14,270,545	13,572,428	13,295,783
Retained profits		23,716,892	26,421,237	29,624,642
Equity attributable to owners of the Company		39,091,477	42,142,634	44,569,417
Non-controlling interests		7,414,910	8,601,104	9,225,864
Total equity		46,506,387	50,743,738	53,795,281

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STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at December 31,		
	NOTES	2023	2024	2025
		RMB’000	RMB’000	RMB’000
Non-current assets				
Property, plant and equipment	20	1,241,573	1,217,133	1,105,765
Right-of-use assets	21	99,581	66,272	54,019
Investment properties		251	183	114
Investments in associates	16	1,976,390	2,027,597	2,124,569
Investments in subsidiaries	19	18,294,885	18,702,667	20,020,662
Deferred tax assets	25	53,477	169,591	150,252
Intangible assets		9,132	15,803	10,890
Financial assets at FVTPL	18	535,081	708,181	717,439
Prepayments, other receivables and other assets	27	60,686	30,083	233
		<u>22,271,056</u>	<u>22,937,510</u>	<u>24,183,943</u>
Current assets				
Inventories	28	1,506,352	1,724,740	1,444,374
Trade and note receivables	26	6,059,894	5,882,780	4,996,282
Prepayments, other receivables and other assets	27	2,034,622	1,990,201	992,720
Income tax assets		759	–	58,624
Contract assets	6	11,682	2,258	628
Financial assets at FVTPL	18	1,763	–	119,275
Restricted bank deposits	29	17,231	25,486	72,696
Cash and cash equivalents	29	1,505,641	752,166	825,162
		<u>11,137,944</u>	<u>10,377,631</u>	<u>8,509,761</u>
Total assets		<u>33,409,000</u>	<u>33,315,141</u>	<u>32,693,704</u>

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	NOTES	As at December 31,		
		2023	2024	2025
		RMB’000	RMB’000	RMB’000
Current liabilities				
Trade and note payables	31	1,711,155	2,108,443	2,262,304
Accruals and other payables	32	1,350,551	1,994,623	2,158,999
Income tax payables		–	49,763	–
Borrowings	30	2,222,017	1,980,276	1,559,857
Derivative financial instruments		–	1,934	–
Lease liabilities	21	32,108	17,701	7,065
Contract liabilities	6	111,105	79,596	169,987
Other current liabilities	35	26,096	19,747	32,947
		<u>5,453,032</u>	<u>6,252,083</u>	<u>6,191,159</u>
Net current assets		<u>5,684,912</u>	<u>4,125,548</u>	<u>2,318,602</u>
Total assets less current liabilities		<u>27,955,968</u>	<u>27,063,058</u>	<u>26,502,545</u>
Non-current liabilities				
Borrowings	30	2,155,100	700,000	–
Lease liabilities	21	22,336	6,567	9,726
Provisions		62,114	–	–
Deferred income		49,433	33,508	29,484
		<u>2,288,983</u>	<u>740,075</u>	<u>39,210</u>
Net assets		<u>25,666,985</u>	<u>26,322,983</u>	<u>26,463,335</u>
Capital and reserves				
Share capital	37	2,148,969	2,148,969	2,148,969
Treasury shares	38	(1,044,929)	–	(499,977)
Other reserves	40	13,934,256	13,310,702	13,352,598
Retained profits	40	10,628,689	10,863,312	11,461,745
Total equity		<u>25,666,985</u>	<u>26,322,983</u>	<u>26,463,335</u>

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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company								
	Share capital	Share premium	Treasury shares	Other comprehensive income	Other reserves	Retained profits	Sub-total	Non-controlling interests	Total equity
	RMB'000 (Note 37)	RMB'000	RMB'000 (Note 38)	RMB'000	RMB'000 (iii)	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2023	2,149,974	13,143,813	(1,071,557)	(305,674)	1,537,317	20,879,047	36,332,920	5,196,526	41,529,446
Profit for the year	-	-	-	-	-	3,686,138	3,686,138	1,262,710	4,948,848
Other comprehensive income for the year	-	-	-	23,774	-	-	23,774	13,557	37,331
Total comprehensive income for the year	-	-	-	23,774	-	3,686,138	3,709,912	1,276,267	4,986,179
Cancellation of shares repurchased (Note 37)	(1,005)	(25,623)	26,628	-	-	-	-	-	-
Share of other changes in net assets of associates and joint ventures	-	-	-	-	17,310	-	17,310	-	17,310
Disposal of subsidiaries	-	-	-	-	-	-	-	(28,270)	(28,270)
Disposal of equity investments at FVTOCI	-	-	-	(4,566)	-	2,773	(1,793)	-	(1,793)
Declaration of dividends (Note 14)	-	-	-	-	-	(851,066)	(851,066)	(120,908)	(971,974)
Transactions with non-controlling interests (Note 42(b))	-	-	-	-	(369,322)	-	(369,322)	(284,303)	(653,625)
Capital contributions by non-controlling interests ⁽ⁱⁱ⁾	-	-	-	-	(13,790)	-	(13,790)	280,997	267,207
Non-controlling interests arising from business combinations (Note 42(a))	-	-	-	-	230,077	-	230,077	1,066,718	1,296,795
Share-based compensation expenses (Note 39)	-	-	-	-	37,229	-	37,229	27,883	65,112
At December 31, 2023	2,148,969	13,118,190	(1,044,929)	(286,466)	1,438,821	23,716,892	39,091,477	7,414,910	46,506,387

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	Attributable to owners of the Company							Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Other comprehensive income	Other reserves	Retained profits	Sub-total		
	RMB'000 (Note 37)	RMB'000	RMB'000 (Note 38)	RMB'000	RMB'000 (iii)	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2023	2,148,969	13,118,190	(1,044,929)	(286,466)	1,438,821	23,716,892	39,091,477	7,414,910	46,506,387
Profit for the year	-	-	-	-	-	3,876,416	3,876,416	1,334,912	5,211,328
Other comprehensive expense for the year	-	-	-	(102,494)	-	-	(102,494)	(19,115)	(121,609)
Total comprehensive (expense)/income for the year	-	-	-	(102,494)	-	3,876,416	3,773,922	1,315,797	5,089,719
Share of other changes in net assets of associates	-	-	-	-	2,848	-	2,848	-	2,848
Arising from business combinations under common control ⁽ⁱ⁾	-	-	-	-	37,123	(2,123)	35,000	-	35,000
Disposal of equity investments at FVTOCI	-	-	-	(4,768)	-	11,985	7,217	-	7,217
Declaration of dividends (Note 14)	-	-	-	-	-	(1,181,933)	(1,181,933)	(178,634)	(1,360,567)
Transactions with non-controlling interests (Note 42(b))	-	-	-	-	(19,056)	-	(19,056)	(74,597)	(93,653)
Capital contributions by non-controlling interests ⁽ⁱⁱ⁾	-	-	-	-	(2,318)	-	(2,318)	96,362	94,044
Share-based compensation expenses (Note 39)	-	-	-	-	139,344	-	139,344	27,266	166,610
Treasury shares transferred to the grantees (Note 38)	-	(748,796)	1,044,929	-	-	-	296,133	-	296,133
At December 31, 2024	2,148,969	12,369,394	-	(393,728)	1,596,762	26,421,237	42,142,634	8,601,104	50,743,738

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	Attributable to owners of the Company								
	Share capital	Share premium	Treasury shares	Other comprehensive income	Other reserves	Retained profits	Sub-total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Note 37)		(Note 38)		(iii)				
At December 31, 2024	2,148,969	12,369,394	–	(393,728)	1,596,762	26,421,237	42,142,634	8,601,104	50,743,738
Profit for the year	–	–	–	–	–	4,512,302	4,512,302	1,625,331	6,137,633
Other comprehensive income for the year	–	–	–	153,058	–	–	153,058	79,246	232,304
Total comprehensive income for the year	–	–	–	153,058	–	4,512,302	4,665,360	1,704,577	6,369,937
Share of other changes in net assets of associates	–	–	–	–	2,276	–	2,276	–	2,276
Arising from business combinations under common control ⁽ⁱ⁾	–	–	–	–	28,895	(10,895)	18,000	–	18,000
Disposal of equity investments at FVTOCI	–	–	–	(17,528)	–	(11,554)	(29,082)	–	(29,082)
Declaration of dividends (Note 14)	–	–	–	–	–	(1,286,448)	(1,286,448)	(304,274)	(1,590,722)
Transactions with non-controlling interests (Note 42(b))	–	–	–	–	(552,313)	–	(552,313)	(933,658)	(1,485,971)
Capital contributions by non-controlling interests ⁽ⁱⁱ⁾	–	–	–	–	40,390	–	40,390	128,346	168,736
Repurchase of shares (Note 38)	–	–	(499,977)	–	–	–	(499,977)	–	(499,977)
Share-based compensation expenses (Note 39)	–	–	–	–	68,577	–	68,577	29,769	98,346
At December 31, 2025	2,148,969	12,369,394	(499,977)	(258,198)	1,184,587	29,624,642	44,569,417	9,225,864	53,795,281

- i. In the first half of 2026, the Group obtained 100% equity interests in Fengyang Chint Photovoltaic Power Co., Ltd., Yueqing Chint Photovoltaic Power Co., Ltd., Yiwu Chint Photovoltaic Power Co., Ltd. and Fuyang (Hangzhou) Chint Photovoltaic Power Co., Ltd. through acquisitions for cash consideration of RMB19,051,000, RMB24,754,000, RMB36,337,000 and RMB23,749,000, respectively. Since the merged companies and the Group are all under common control of Mr. Nan Cunhui before and after the acquisitions, these acquisitions are accounted for under merger accounting. The increase in total equity attributable to owners of the Company arises from the retrospective adjustment for the above-mentioned business combination under common control.
- ii. These all arose from the effect of capital contributions made by non-controlling shareholders of the Company’s subsidiaries during the Relevant Period.
- iii. Other reserves consist of share-based payment reserve under the equity-settled share incentive plans, statutory surplus reserve of the Company required by Company Law of the People’s Republic of China and the Company’s Articles of Association, and the difference between the carrying amount of net assets of the non-controlling interests in the Company’s subsidiaries and the contribution received from/paid to the non-controlling shareholders.

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CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended December 31,		
	NOTE	2023	2024	2025
		RMB'000	RMB'000	RMB'000
OPERATING ACTIVITIES				
Cash generated from operations	41(a)	5,134,666	17,288,619	25,001,619
Interest received		92,842	119,829	109,108
Income tax paid		(1,087,152)	(2,202,753)	(1,996,898)
NET CASH FROM OPERATING ACTIVITIES		4,140,356	15,205,695	23,113,829
INVESTING ACTIVITIES				
Proceeds on disposal of investments		617,569	593,552	525,959
Proceeds on settlement of derivative financial instruments		40,714	42,255	133,181
Proceeds on disposal of property, plant and equipment, intangible assets and other non-current assets		45,651	70,302	73,802
Payments for purchase of investments in associates and joint ventures		(487,777)	(23,693)	(64,114)
Purchase of equity investments at FVTOCI		(392,501)	(617,893)	(615,342)
Purchase of financial assets at FVTPL		(1,903,015)	(1,680,842)	(2,270,962)
Purchase of property, plant and equipment, intangible assets and other non-current assets		(4,363,713)	(3,007,495)	(1,938,254)
Movements of restricted cash and term deposits		53,943	(191,427)	(269,920)
Net inflow/(outflow) of cash from the acquisitions		216,062	(21,625)	(56,096)
Net inflow of cash resulting from the disposal of subsidiaries		1,626,852	182,099	88,189
Dividends received from equity investments		762,098	143,298	432,982
Proceeds from repayment of loans by equity investments		1,241,556	1,270,736	690,861
Payments for loans to equity investments		(428,024)	(688,844)	(1,097,458)
Performance compensation received		84,141	–	5,857
Proceeds on disposal of assets held for sale		118,554	49,402	–
Others		306	751	2,371
NET CASH USED IN INVESTING ACTIVITIES		(2,767,584)	(3,879,424)	(4,358,944)

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		Year ended December 31,		
	NOTE	2023	2024	2025
		RMB'000	RMB'000	RMB'000
FINANCING ACTIVITIES				
Capital contributions from the non-controlling shareholders		333,175	141,425	110,652
Proceeds from share schemes		–	296,133	–
Proceeds from borrowings		16,442,470	14,857,679	19,384,482
Repayments of borrowings		(15,878,190)	(23,529,261)	(31,382,451)
Repayment of principal elements of lease payments		(215,018)	(284,164)	(386,016)
Interests paid		(866,064)	(1,103,820)	(1,302,248)
Dividends paid to the Company's shareholders		(851,066)	(1,181,933)	(1,286,448)
Dividends paid to the non-controlling shareholders		(125,311)	(181,179)	(301,599)
Transactions with non-controlling shareholders		(572,207)	(62,464)	(1,412,763)
Payments for repurchase of shares		–	–	(500,021)
Payments for repurchase of shares of a subsidiary under share scheme		–	(1,641)	(22,427)
Movements of restricted cash		–	–	(51,681)
Others		–	35,084	18,761
NET CASH USED IN FINANCING ACTIVITIES		(1,732,211)	(11,014,141)	(17,131,759)
Net (decrease)/increase in cash and cash equivalents		(359,439)	312,130	1,623,126
Cash and cash equivalents at the beginning of the year		11,663,324	11,324,586	11,435,730
Effects of foreign exchange rate changes		20,701	(200,986)	19,615
Cash and cash equivalents at the end of the year	29	11,324,586	11,435,730	13,078,471

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NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company is a joint stock company with limited liability established in Zhejiang in the People’s Republic of China (the “PRC”) on August 5, 1997. The Company was listed on the Shanghai Stock Exchange Main Board (stock code: 601877) in January 2010. The addresses of the Company’s registered office and its principal place of business are set out in the section headed “Corporate Information” in the Document. The ultimate controlling shareholder of the Company is Mr. Nan Cunhui (the “**Ultimate Controlling Shareholder**”).

The Group has developed two complementary business segments: intelligent electrical products and green energy solutions. Together, these businesses allow the Group to serve key links of the power and energy value chain, including generation, storage, distribution and end use.

The Company’s principal subsidiaries during the Relevant Period are set out in Note 19.

2. BASIS OF PREPARATION OF THE HISTORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards as issued by the IASB. For the purpose of preparation of the Historical Financial Information, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the Historical Financial Information includes applicable disclosures required by the Listing Rules and by the Hong Kong Companies Ordinance.

The statutory financial statements of the Company for the years ended December 31, 2023, 2024 and 2025 were prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and were audited by Pan-China Certified Public Accountants LLP (天健會計師事務所(特殊普通合夥)), a certified public accountant registered in the PRC.

The Historical Financial Information has been prepared under the historical cost convention, except for certain financial instruments, which have been measured at fair value.

3. ADOPTION OF IFRS ACCOUNTING STANDARDS

For the purpose of preparing and presenting the Historical Financial Information for the Relevant Period, the Group has consistently applied the accounting policies which conform with IFRS Accounting Standards, which are effective for the accounting period beginning on January 1, 2026, throughout the Relevant Period.

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency ²
Amendments to IAS 28	Amendments to the Fair Value Option for Investments in Associates and Joint Ventures ²
IFRS 18	Presentation and Disclosure in Financial Statements ²
IFRS 20	Regulatory Assets and Regulatory Liabilities ³

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

² Effective for annual periods beginning on or after January 1, 2027.

³ Effective for annual periods beginning on or after January 1, 2029.

Except for the new IFRS Accounting Standards below, the Directors anticipate that the application of the other new and amendments to IFRS Accounting Standards will have no material impact on the Historical Financial Information in the foreseeable future.

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IFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provides disclosures on management-defined performance measures (MPMs) in the notes to the financial statements and improves aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of IFRS 18) and IFRS 7 *Financial Instruments: Disclosures*. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after January 1, 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of this new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

4. MATERIAL ACCOUNTING POLICY INFORMATION

(1) Basis of consolidation

The Historical Financial Information incorporates the financial statements of the entities now comprising the Group. Control is achieved when the Company:

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

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

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group’s voting rights in an investee are sufficient to give it power, including:

- the size of the Group’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

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

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies.

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

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

Changes in the Group’s ownership interests in existing subsidiaries

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

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognized. A gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate.

(2) Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organized workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

The identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the Conceptual Framework for Financial Reporting (the “**Conceptual Framework**”) except for transactions and events within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC-21 *Leases*, in which the Group applies IAS 37 or IFRIC-21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination. Contingent assets are not recognized.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are, with limited exceptions, recognized at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer’s previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary’s net assets in the event of liquidation are initially measured at the non-controlling interests’ proportionate share of the recognized amounts of the acquiree’s identifiable net assets or at fair value.

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Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity’s incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognized in profit or loss.

(3) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group’s cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and is not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in an annual period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that annual period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash-generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

The Group’s policy for goodwill arising on the acquisition of an associate and a joint venture is described below.

(4) Investments in subsidiaries

Investments in subsidiaries are stated in the statements of financial position of the Company at cost less identified impairment loss, if any.

(5) Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Under IFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated statement of financial position.

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The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, the financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group’s share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group’s share of losses of an associate or a joint venture exceeds the Group’s interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group’s net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses. Additional losses are provided for, and a liability is recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group’s share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

(6) Changes in the Group’s interests in associates

When the Group reduces its ownership interests in an associate but the Group continues to use the equity method (including situations that change of ownership interest in an associate due to capital increase of other shareholders to the associate), the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interests if that gain or loss would have been reclassified to profit or loss on the disposal of the related assets or liabilities.

(7) Revenue from contracts with customers

Information about the Group’s accounting policies relating to revenue from contracts with customers is provided in Note 6.

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(8) Leases

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 Leases at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed. As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the financial statements would not differ materially from individual leases within the portfolio.

(i) *The Group as a lessee*

Allocation of consideration to components of a contract

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

Non-lease components are separated from lease component and are accounted for by applying other applicable standards.

Short-term leases

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Right-of-use assets

The cost of right-of-use assets includes:

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

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

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

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

Land leases are also in the scope of IFRS 16. The Group recognizes any prepaid premium for leasehold lands as right-of-use assets which are depreciated over the relevant lease terms.

Refundable rental deposits

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

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Lease liabilities

At the commencement date of a lease, the Group recognizes and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

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

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

The Group presents lease liabilities as a separate line item in the consolidated statement of financial position.

Lease modifications

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

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

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

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

(ii) The Group as a lessor

Classification and measurement of leases

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

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Amounts due from lessees under finance leases are recognized as receivables at commencement date at amounts equal to net investments in the leases, measured using the interest rate implicit in the respective leases. Interest income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group’s net investment outstanding in respect of the leases.

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

Refundable rental deposits

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

(iii) Sale and leaseback transactions

The Group applies the requirements of IFRS 15 to assess whether sale and leaseback transaction constitutes a sale by the Group. For a transfer that does not satisfy the requirements as a sale, the Group as a seller-lessee continues to recognize the assets and accounts for the transfer proceeds as borrowings within the scope of IFRS 9.

(9) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (“**the functional currency**”). Since the majority of the assets and operations of the Group are located in the PRC, the Historical Financial Information are presented in RMB, which is also the Company’s functional and the Group’s presentation currency.

(ii) Transactions and balances

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognized at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. When a fair value gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is also recognized in profit or loss. When a fair value gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is also recognized in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group’s operations are translated into the presentation currency of the Group using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity under the heading of other comprehensive income attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (that is, a disposal of the Group’s entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

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Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognized in other comprehensive income.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

(10) Property, plant and equipment

The Group’s accounting policy for buildings and equipment is explained in Note 20(a). Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Construction in progress mainly represents buildings and photovoltaic power stations under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalized borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property and equipment when completed and ready for use.

(11) Investment properties

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation, including properties under construction for such purpose, rather than for use in the production or supply of goods or services or for administrative purposes, or for sale in the ordinary course of business. Such properties are measured initially at cost, including related transaction costs. After initial recognition, the Group chooses the cost model to measure all of its investment properties.

Depreciation is calculated on the straight-line basis to write off the cost to its residual value over its estimated useful life. The estimated useful lives are as follows:

Buildings	20 years
Land use rights	20–50 years

The carrying amounts of investment properties measured using the cost method are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable.

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Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the year of the retirement or disposal.

(12) Impairment of non-financial assets

Intangible assets that have an indefinite useful life or are not yet available for use are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal (“**FVLCD**”) and value in use (“**VIU**”). For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(13) Intangible assets

Capitalized development costs

Research expenditure is recognized as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new and improved products) are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the product so that it will be available for use;
- Management intends to complete the product and use or sell it;
- There is an ability to use or sell the product;
- It can be demonstrated how the product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the product are available; and

The expenditure attributable to the product during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Directly attributable costs that are capitalized as part of the patent right and non-patent technologies mainly include employee costs, raw materials and consumables used.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use.

Software

Purchased software is stated at cost less any impairment losses and amortized on the straight-line basis over its estimated useful life.

Patent right

Patent right are initially recognized at fair value on the acquisition date and subsequently carried at cost less accumulated amortization and impairment losses.

License fee

License fee is stated at cost less any impairment losses and amortized on the straight-line basis over its estimated useful life.

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Trademark

Trademark is stated at cost less any impairment losses and amortized on the straight-line basis over its estimated useful life.

Non-patent technologies

Non-patent technologies are initially recognized at historical cost and subsequently carried at cost less accumulated amortization and impairment losses.

(14) Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or in other comprehensive income (“OCI”). For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to present subsequent changes in fair value in other comprehensive income.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses), net together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

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- **FVTOCI:** Assets that are held for both collection of contractual cash flows and sell in the market where those cash flows represent solely payments of principal and interest, are measured at FVTOCI. The Group has certain notes receivables which were recognized as FVTOCI. These notes receivables are measured at fair value at each reporting date, with fair value changes recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses, which are recognised in profit or loss). Interest income from these financial assets is included in finance income using the effective interest rate method. On derecognition (e.g., discounting, endorsement or settlement), the cumulative fair value gains or losses previously recognised in other comprehensive income are reclassified from accumulated other comprehensive income to profit or loss. Expected credit losses are recognised in profit or loss, with a corresponding allowance recognised against the carrying amount of the financial asset.
- **FVTPL:** Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net within other gains/(losses), net in the period in which it arises.

Equity instruments

Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve; and are not subject to impairment assessment. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, and is transferred to retained profits.

Dividends from these investments in equity instruments are recognized in profit or loss when the Group’s right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the other income line item in profit or loss.

Financial assets at FVTPL

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

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

(iv) Impairment of financial assets

The Group recognizes an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. Details, please refer to credit risks in Note 45.

(15) Derivative financial instruments

The derivative instruments are foreign currency forwards, interest rate swap and commodity futures held for trading and do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognized immediately in profit or loss and are included in other income, other gains and losses.

(16) Financial liabilities

Financial liabilities are classified as financial liabilities at amortized cost and financial liabilities at FVTPL at initial recognition.

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Financial liabilities of the Group mainly comprise financial liabilities at amortized cost, including trade and note payables, accruals and other payables and borrowings. Such financial liabilities are initially recognized at fair value, net of transaction costs incurred, and subsequently measured using the effective interest method. Financial liabilities that are due within one year (inclusive) are classified as current liabilities; those with maturities over one year but are due within one year (inclusive) as from the balance sheet date are classified as current portion of non-current liabilities. Others are classified as non-current liabilities.

A financial liability is derecognized or partly derecognized when the underlying present obligation is discharged or partly discharged. The difference between the carrying amount of the derecognized part of the financial liability and the consideration paid is recognized in profit or loss for the current period.

(17) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost of inventories are determined on the weighted average method. Cost comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(18) Trade receivables

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognized at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method. See Note 45 for a description of the Group’s impairment policies.

(19) Share capital and capital reserve

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(20) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

(21) Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are derecognized when the obligation specified in the contract is discharged, canceled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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Covenants that the Group is required to comply with, on or before the end of reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification at the reporting date.

(22) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

(23) Provisions

Provisions for legal claims, service warranties and make good obligations are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

(24) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

(ii) Housing funds, medical insurances and other social insurances

Employees of the Group in the PRC are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group’s liability in respect of these funds is limited to the contributions payable in each year. Contributions to the housing funds, medical insurances and other social insurances are expensed as incurred.

(iii) Post-employment benefits

The Group classifies post-employment benefit plans as either defined contribution plans or defined benefit plans. Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into a separate fund and will have no obligation to pay further contributions; and defined benefit plans are post-employment benefit plans other than defined contribution plans. During the reporting period, the Group’s defined contribution plans mainly include basic pensions and unemployment insurance, while the defined benefit plans are certain oversea subsidiaries provide supplemental retirement benefits beyond the national regulatory insurance system.

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The Group’s employees participate in the basic pension plan set up and administered by local authorities of Ministry of Human Resource and Social Security. Monthly payments of premiums on the basic pensions are calculated according to prescribed bases and percentage by the relevant local authorities. When employees retire, the relevant local authorities are obliged to pay the basic pensions to them. The amounts based on the above calculations are recognized as liabilities in the accounting period in which the service has been rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

(25) Share-based payments

(i) *Equity-settled share-based payment transactions*

The Group operates an equity-settled share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (including shares or share options) of the Group. The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

For shares that vest immediately at the date of grant, the fair value of the shares granted is expensed immediately to profit or loss.

(ii) *Modification to the terms and conditions of the share-based payment arrangements*

When the terms and conditions of an equity-settled share-based payment arrangement are modified, the Group recognizes, as a minimum, the services received measured at the grant date fair value of the equity instruments granted, unless those equity instruments do not vest because of failure to satisfy a vesting condition (other than a market condition) that was specified at grant date. In addition, if the Group modifies the vesting conditions (other than a market condition) in a manner that is beneficial to the employees, for example, by reducing the vesting period, the Group takes the modified vesting conditions into consideration over the remaining vesting period.

The incremental fair value granted, if any, is the difference between the fair value of the modified equity instruments and that of the original equity instruments, both estimated as at the date of modification.

If the modification occurs during the vesting period, the incremental fair value granted is included in the measurement of the amount recognized for services received over the period from modification date until the date when the modified equity instruments are vested, in addition to the amount based on the grant date fair value of the original equity instruments, which is recognized over the remainder of the original vesting period.

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(26) Dividend distribution

Dividend distribution to the shareholders is recognized as a liability in the Historical Financial Information in the period in which the dividends are approved by the entities’ shareholders or directors, where appropriate.

(27) Interest income

Interest income from financial assets at FVTPL is included in the net fair value gains/(losses) on these assets.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

(28) Dividend income

Dividend income is recognized when the right to receive dividend payment is established.

(29) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(30) Government grants

Government grants relating to costs are deferred and recognized in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and they are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

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(31) Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period’s taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) *Current income tax*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(ii) *Deferred income tax*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Historical Financial Information. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, which are described in Note 4, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Net realizable value of inventories

Net realizable value of inventories is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

The Group assesses the net realizable value of inventories as well as the amount of write-down of inventory provision at the end of each reporting period, which involves significant judgement on determination of the estimated selling prices, costs to completion and costs necessary to make the sale. Where the expectation is different from the original estimate, such difference will have an impact on the carrying value of inventories and the write-down of inventory amount in the year in which such estimates have been changed. Details, please refer to Note 28.

Allowance for ECL of receivables and contract assets

Except for certain trade receivables from customers with specific credit risk that management adopts an individual impairment assessment approach, the Group uses a provision matrix to calculate ECLs for receivables and contract assets. The loss allowances for receivables and contract assets are based on assumptions about risk of default and expected loss rates to determine the expected loss. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation. The historical loss rates are adjusted to reflect the forward-looking information on macroeconomic factors as well as the credit rating analysis of respective customers and other external data which have impacts to the ability of the customers to settle the receivables and contract assets.

The Group takes into account different macroeconomic scenarios in considering forward-looking information in Chinese Mainland and abroad. The Group regularly monitors and reviews the key macroeconomic assumptions and parameters related to the calculation of ECLs. Details, please refer to Note 45.

Impairment of non-financial assets

Goodwill is tested for impairment at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating units to which the goodwill is allocated. An impairment exists when the carrying value of a cash-generating unit exceeds its recoverable amount, which is the higher of its FVLCD and its VIU. When determine the fair value using income approach or when the VIU calculations are undertaken, management must estimate the annual revenue growth rates within forecast period, operating profit margin, perpetual annual growth rates and other assumptions related to the expected future cash flows from the cash generating units, and choose a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amount of goodwill is RMB527,624,000, RMB511,594,000 and RMB490,917,000 as at December 31, 2023, 2024 and 2025 respectively. Details of the recoverable amount calculation are disclosed in note 23.

Income tax and deferred taxation

Estimation and judgment are required in determining the amount of the provision for income tax. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recognized, such differences will impact on the income tax and deferred taxation provisions in the period in which such determination is made.

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Deferred tax assets are recognized for unused tax losses and deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses and deductible temporary difference can be utilized. Significant estimation is required in determining the recoverability of deferred tax assets. The realisability of the deferred tax asset mainly depends on whether sufficient taxable profits will be available in the foreseeable future or taxable temporary differences are expected to reverse in the same period as the expected reversal of the deductible temporary differences, which is a key source of estimation uncertainty.

In cases where the actual future taxable profits generated are less or more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a material reversal or further recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal or further recognition takes place.

In the event that future tax rules and regulations or related circumstances change, adjustments to current and deferred taxation may be necessary which would impact on the Group’s results or financial position.

Fair value measurement of financial assets at level 3 fair value hierarchy

The fair value of financial instruments classified as level 3 is determined using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the valuation techniques, inputs and key assumptions used in the determination of the fair value of financial assets at level 3 fair value hierarchy see Note 45.5.

Provisions

Provision is made for estimated warranty claims in respect of certain intelligent electrical products sold during the warranty periods. Management estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past cost information could differ from future claims. Factors that could impact the estimated claim information include the success of the Group’s productivity and quality initiatives, as well as cost per claim to satisfy the warranty obligation. The estimation basis is reviewed on an on-going basis and revised where appropriate.

The Group recognizes revenues net of discounts and return allowances when the products are delivered and title is passed to customers. Significant judgement is required to estimate return allowances. For photovoltaic power station solutions with return conditions, the Group reasonably estimates the possibility of return based on the historical experience, changes in judgments on these assumptions and such estimates could materially impact the amount of net revenues recognized.

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6. REVENUE AND SEGMENT INFORMATION

An analysis of revenue is as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Revenue from contracts with customers	57,178,362	64,438,943	59,075,819
Revenue from operating leases	72,452	85,459	90,685
	<u>57,250,814</u>	<u>64,524,402</u>	<u>59,166,504</u>

Disaggregation of revenue from contracts with customers

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Types of products or service			
Intelligent electrical products			
– Terminal electrical products	6,085,778	6,851,313	7,223,394
– Power distribution electrical products	5,873,733	5,729,669	5,928,101
– Control electrical products	3,446,710	3,552,495	3,800,122
– Instruments and meters	1,920,439	1,975,301	2,053,974
– Building electrical products	1,463,522	1,590,528	1,741,415
– Others ⁽ⁱ⁾	1,348,361	1,222,458	1,171,672
	<u>20,138,543</u>	<u>20,921,764</u>	<u>21,918,678</u>
Green energy solutions			
– Photovoltaic power station solutions	24,760,740	24,816,532	18,309,067
– Engineering, procurement and construction services (“EPC”)	2,537,584	6,020,987	1,722,185
– Operations and maintenance services	6,022,750	7,880,640	11,057,598
– Sales of inverters and energy storage systems	1,252,847	1,646,274	2,390,075
– Others ⁽ⁱⁱ⁾	2,030,111	2,628,483	2,817,186
	<u>36,604,032</u>	<u>42,992,916</u>	<u>36,296,111</u>
Others ⁽ⁱⁱⁱ⁾	<u>435,787</u>	<u>524,263</u>	<u>861,030</u>
Revenue from contracts with customers	<u>57,178,362</u>	<u>64,438,943</u>	<u>59,075,819</u>

(i) The other intelligent electrical products primarily contain sale of power supply electrical products, control system and electronic electrical products.

(ii) The other green energy solutions primarily contain metal products and non-photovoltaic power service revenue.

(iii) The others primarily represent sales of parts and components and other miscellaneous income.

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Geographical information by customers

The following table shows the Group’s revenue from contracts with customers disaggregated by location, where location is determined by the project site for power station plants and by the customer’s location for all other revenue.

	Year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Chinese Mainland	48,910,838	54,391,076	49,125,024
The Americas	2,067,015	2,804,656	3,224,865
Europe	2,888,711	4,212,440	2,950,568
Asia-Pacific	1,918,444	1,808,341	2,223,859
Others ⁽ⁱ⁾	1,393,354	1,222,430	1,551,503
	<u>57,178,362</u>	<u>64,438,943</u>	<u>59,075,819</u>

- (i) Primarily represent sales in Saudi Arabia and Egypt, as well as sales of products tailored to non-PRC standards to overseas distributors.

Information about the Group’s non-current assets excluding deferred tax assets and financial instruments is presented based on the geographical locations of the assets.

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Chinese Mainland	41,751,307	47,378,267	53,861,495
Other countries or regions ⁽ⁱ⁾	445,895	787,182	927,843
	<u>42,197,202</u>	<u>48,165,449</u>	<u>54,789,338</u>

- (i) Non-current assets in other countries or regions are primarily located in Singapore, Saudi Arabia, and Netherlands, which together account for less than 10% of the Group’s non-current assets.

Timing of revenue from contracts with customers recognition

	Year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Products transferred at a point in time	56,794,084	63,844,024	57,892,051
Services transferred over time	384,278	594,919	1,183,768
	<u>57,178,362</u>	<u>64,438,943</u>	<u>59,075,819</u>

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Revenue from leases

	Year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
For operating leases:			
Lease payments that are fixed or dependent on an index or a rate	72,452	85,459	90,685

Segment information

For management purposes, the Group is organized into business units based on their products and services and has two reportable operating segments as follows:

- (a) Intelligent electrical segment engages in research, development, production, sales of low-voltage electrical equipment.
- (b) Green energy segment engages in core business and supporting services of the green energy sector. It mainly includes the power generation business of photovoltaic power stations, the sales business of photovoltaic power stations, the EPC general contracting services for photovoltaic power stations, as well as the operation and maintenance services for the power stations.

Operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision maker (“CODM”). The executive directors assess the financial performance and position of the Group and make strategic decisions. The executive directors, which have been identified as being the CODM, consist of the executive directors and the chief financial officer.

For the purposes of assessing segment performance and allocating resources between segments, the CODM monitor the results attributable to each reportable segment on the following bases:

Revenue and cost are allocated to the reportable segments with reference to sales generated by those segments and the costs incurred by those segments. The measure used for reporting segment profit is gross profit.

Inter-segment sales are charged at prevailing market rates, consistent with terms applied for transactions with external third-party customers. Inter-segment transactions are eliminated upon consolidation.

For the purposes of monitoring segment performance and allocating resources between segments, all assets and all liabilities are allocated to operating segments.

The segment information provided to the CODM for the reportable segments for the years ended December 31, 2023, 2024 and 2025 is as follows:

Segment information for the year ended December 31, 2023 was as follows:

	Intelligent electrical	Green energy	Elimination between segments	Total
	RMB’000	RMB’000	RMB’000	RMB’000
Segment revenue:				
Revenue from transactions with external customers	20,582,309	36,596,053	–	57,178,362
Revenue from leases	58,674	13,778	–	72,452
Inter-segment revenue	540,645	37,753	(578,398)	–
Total revenue	21,181,628	36,647,584	(578,398)	57,250,814
Cost of sales	(15,346,706)	(30,088,053)	561,801	(44,872,958)

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	Intelligent electrical	Green energy	Elimination between segments	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Segment results	5,834,922	6,559,531	(16,597)	12,377,856
Other income, other gains and losses	545,189	374,838	(4,926)	915,101
Other expenses	(23,142)	(73,707)	–	(96,849)
Administrative expenses	(1,056,764)	(1,099,791)	16,597	(2,139,958)
Selling and marketing expenses	(1,642,397)	(598,982)	–	(2,241,379)
R&D expenses	(1,040,912)	(138,303)	–	(1,179,215)
Impairment losses (including reversals of impairment losses) on financial assets and other items	(147,396)	(35,703)	32,750	(150,349)
Finance costs	(198,673)	(1,217,473)	4,975	(1,411,171)
Share of results of associates and joint ventures	109,155	351,954	(41,384)	419,725
Profit before tax	2,379,982	4,122,364	(8,585)	6,493,761
Segment assets	42,297,075	94,704,482	(16,196,901)	120,804,656
Segment liabilities	12,638,389	64,092,737	(2,432,857)	74,298,269

Segment information for the year ended December 31, 2024 was as follows:

	Intelligent electrical	Green energy	Elimination between segments	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Segment revenue:				
Revenue from transactions with external customers	21,194,134	43,244,809	–	64,438,943
Revenue from leases	63,005	22,454	–	85,459
Inter-segment revenue	220,745	1,453	(222,198)	–
Total revenue	21,477,884	43,268,716	(222,198)	64,524,402
Cost of sales	(15,293,968)	(34,514,219)	207,785	(49,600,402)
Segment results	6,183,916	8,754,497	(14,413)	14,924,000
Other income, other gains and losses	437,867	290,139	(41,211)	686,795
Other expenses	(26,220)	(57,406)	–	(83,626)
Administrative expenses	(1,245,168)	(1,579,369)	14,344	(2,810,193)
Selling and marketing expenses	(1,801,982)	(841,696)	–	(2,643,678)
R&D expenses	(1,075,434)	(191,873)	–	(1,267,307)
Impairment losses (including reversals of impairment losses) on financial assets and other items	(165,962)	(424,510)	10,786	(579,686)
Finance costs	(177,647)	(1,652,798)	40,947	(1,789,498)
Share of results of associates and joint ventures	120,730	256,402	(45,541)	331,591
Profit before tax	2,250,100	4,553,386	(35,088)	6,768,398
Segment assets	41,943,854	111,813,067	(15,534,743)	138,222,178
Segment liabilities	11,576,645	77,495,242	(1,593,447)	87,478,440

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Segment information for the year ended December 31, 2025 was as follows:

	Intelligent electrical	Green energy	Elimination between segments	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue:				
Revenue from transactions with external customers	22,219,838	36,855,981	–	59,075,819
Revenue from leases	59,090	31,595	–	90,685
Inter-segment revenue	457,289	6,581	(463,870)	–
Total revenue	22,736,217	36,894,157	(463,870)	59,166,504
Cost of sales	(16,283,471)	(28,024,346)	449,242	(43,858,575)
Segment results	6,452,746	8,869,811	(14,628)	15,307,929
Other income, other gains and losses	500,231	607,627	(79)	1,107,779
Other expenses	(14,782)	(79,599)	–	(94,381)
Administrative expenses	(1,215,725)	(1,744,897)	14,899	(2,945,723)
Selling and marketing expenses	(1,755,859)	(816,483)	–	(2,572,342)
R&D expenses	(1,054,393)	(272,516)	950	(1,325,959)
Impairment losses (including reversals of impairment losses) on financial assets and other items	(23,490)	(77,760)	11,416	(89,834)
Finance costs	(122,386)	(1,880,737)	80	(2,003,043)
Share of results of associates and joint ventures	122,282	164,760	(48,388)	238,654
Profit before tax	2,888,624	4,770,206	(35,750)	7,623,080
Segment assets	41,743,578	133,133,638	(16,076,589)	158,800,627
Segment liabilities	10,699,751	95,141,358	(835,763)	105,005,346
Revenue from major customers				

The major customers who contributed 10% or more of the Group’s revenue for the years ended December 31, 2023, 2024 and 2025 were set out below:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Customer A	7,825,726	N/A*	N/A*
Customer B	N/A*	9,841,931	N/A*
Customer C	N/A*	8,232,745	N/A*
Customer D	N/A*	N/A*	8,512,910

* The corresponding revenue generated from the customer is not disclosed as the revenue individually did not contribute 10% or more of the Group’s revenue during the respective Relevant Period.

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Contract assets

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current:			
Warranty deposits	254,015	766,377	658,881
Work completed but not yet billed	165,641	230,186	384,094
	<u>419,656</u>	<u>996,563</u>	<u>1,042,975</u>

As at January 1, 2023, the Group’s contract assets amounted to approximately RMB330,383,000.

During the reporting period, the main reason for the increase in contract assets was the rise in warranty deposits for the green energy business.

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current:			
Warranty deposits	<u>11,682</u>	<u>2,258</u>	<u>628</u>

As at January 1, 2023, the Company’s contract assets amounted to approximately RMB16,838,000.

Contract liabilities

During the Relevant Period, the additions to the contract liabilities were primarily due to cash collections in advance of fulfilling performance obligations, while the reductions to the contract liabilities were primarily due to the recognition of revenues upon fulfillment of performance obligations.

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Non-current:			
Contract liabilities in relation to provision of services	<u>–</u>	<u>84,419</u>	<u>123,795</u>
Current:			
Contract liabilities in relation to sale of goods and provision of services	<u>4,100,054</u>	<u>3,424,619</u>	<u>6,005,612</u>

As at January 1, 2023, the Group’s contract liabilities from customers amounted to approximately RMB4,922,627,000.

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The current contract liabilities decreased by 16.5% from RMB4,100,054,000 as of December 31, 2023 to RMB3,424,619,000 as of December 31, 2024, primarily due to the timing of advance collections from customers and the subsequent recognition of revenue upon fulfillment of the relevant performance obligations. Our current contract liabilities increased by 75.4% from RMB3,424,619,000 as of December 31, 2024 to RMB6,005,612,000 as of December 31, 2025, primarily due to increased advance receipts relating to photovoltaic station solutions and operations and maintenance services.

The following table shows how much of the revenue, which was included in the contract liabilities at the beginning of the year, recognized during the Relevant Period relates to carried-forward contract liabilities:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Revenue recognized that was included in the beginning balance	4,276,133	3,172,943	3,075,682

Management expects that the unsatisfied performance obligations, recognized as current liabilities, will be fulfilled within one year, while the non-current portion will be fulfilled over the following 10 to 15 years.

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current:			
Contract liabilities in relation to sale of goods	111,105	79,596	169,987

As at January 1, 2023, the Company’s contract liabilities from customers amounted to approximately RMB139,346,000.

Revenue recognition policies and performance obligations for contracts with customers

Revenue mainly arises from sales of intelligent electrical products, sales of inverters and energy storage systems, sales of photovoltaic power station solutions and related operations and maintenance services, and EPC.

The Group recognizes revenue when (or as) a performance obligation is satisfied, i.e., when control of the goods or services underlying the particular performance obligation is transferred to the customer. Depending on the terms of the contract, control of the goods and services may be transferred over time or at a point in time. Control of the goods and services is transferred over time if the Group’s performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods and services transfers over time, revenue is recognized over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognized at a point in time when the customer obtains control of the goods and services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

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If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers goods or services to the customer, the Group presents the contract liability when the payment is made. A contract liability is the Group’s obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

(i) Revenue from sale of products

Revenue from sale of products such as intelligent electrical products, inverters and energy storage systems and other products between the Group and its customers generally only includes a performance obligation for the transfer of goods, which is recognized when the performance obligation has been satisfied at a point in time.

Revenue from domestic sales of products shall be recognized generally upon the completion of products delivery and arriving to the named place of destination and acceptance by the customers. Upon confirming the acceptance, the customer has the right to sell the products at its discretion and takes the risks of any price fluctuation and obsolescence and loss of the products.

Revenue from overseas sales of products shall be recognized based on the sales contracts, customs declaration form, bill of lading, and other documents upon completion of customs declaration or shipping out of the port and arriving to the named port or place of destination. Upon the completion of customs declaration or arrival to the named port or place of destination, the customer has the right to sell the products at its discretion and takes the risks of any price fluctuation and obsolescence and loss of the products.

The amount of consideration the Group receives and revenue the Group recognizes vary with changes in sales rebates the Group offers to the customers. The Group estimates the sales rebates based on analysis of historical experience, and adjusts for the most likely amount of consideration to be received. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated rebates which are estimated based on experience. Revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. Sales rebate (included in accruals and other payables) are recognized for expected rebates to customers.

(ii) Revenue from photovoltaic power station solutions

Revenue from sales of residential photovoltaic power stations is recognized when the Group has satisfied its performance obligation by transferring control of the photovoltaic stations to the customers. This occurs upon completion of the construction and grid-connection of the stations, and their acceptance by the customers.

Sales-related warranties associated with residential photovoltaic power stations that can not sold separately do not constitute a separate service. Accordingly, the Group accounts for these warranties under IAS 37.

In certain residential photovoltaic power station sale contracts, customers have the right to return the photovoltaic power stations within a specific period up to twenty-five years if the stations do not meet the quality and performance specifications. The Group uses its accumulated historical experience to estimate the expected number of returns on a portfolio basis using the expected value method. Revenue is recognized for sales which are considered highly probable that a significant reversal in the cumulative revenue recognized will not occur given the steady level of returns over previous years. A refund liability is recognized for those products expected to be returned. The Group’s right to recover the product when customers exercise their right is recognized as a right to returned goods asset and a corresponding adjustment to cost of sales.

(iii) Revenue from operations and maintenance services

Revenue from operation and maintenance services is primarily derived from (i) electricity sales from photovoltaic power stations owned and operated by the Group, and (ii) maintenance service fees for customer-owned residential photovoltaic stations.

Under electricity generation from photovoltaic power stations

The Group generates revenue from electricity generated by photovoltaic power stations that it owns and operates. These include residential photovoltaic power stations developed under the cooperative co-build model, as well as non residential (i.e., utility-scale and commercial & industrial) photovoltaic power stations owned by the Group.

Under the cooperative co build model, the Group invests in and retains ownership of the residential photovoltaic power stations. The grid companies purchase the on grid electricity generated by these stations, and the Group shares the operating proceeds with the homeowners.

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For all photovoltaic power stations owned and operated by the Group, the generation and sale of electricity constitute a single performance obligation satisfied at a point in time. Revenue is recognized when electricity is delivered to and accepted by the grid companies.

Under operation and maintenance service contracts

For operation and maintenance services of photovoltaic power stations for customer-owned residential photovoltaic stations, typical services periods are up to twenty-five years. The management of the Group considers that each of the series of distinct operation and maintenance services as a single performance obligation and there is no significant financing component. Service income is recognized as a performance obligation satisfied over the period of services (i.e. over time). The Group charges the customers on regular basis for these services

Certain operation and maintenance service contracts contain variable consideration for shortfall-coverage and overperformance bonus if the actual power generation of a residential photovoltaic power station in any given assessment period falls short or over performs of the benchmark target power generation (also referred to as the guaranteed power generation). The Group estimates the amount of consideration to which it will be entitled using the most likely amount. The estimated variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the cumulative amount of revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The Group reassesses its estimate of variable consideration at each reporting date.

(iv) Revenue from construction contract

The construction contract between the Group and its customers includes performance obligations related to the construction of power stations. The Group’s contracting services for photovoltaic power stations constitute performance obligations fulfilled at a point in time, with revenue recognized upon completion of the power station and when it has met the conditions for grid connection and power generation.

7. OTHER INCOME, OTHER GAINS AND LOSSES

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Other income			
VAT deduction ⁽ⁱ⁾	87,401	89,363	65,517
Government grants ⁽ⁱⁱ⁾	329,315	383,531	431,921
Interest income ⁽ⁱⁱⁱ⁾	237,540	309,842	285,345
Dividend income ^(iv)	139,557	79,278	93,705
Others	39,209	38,510	53,015
	<u>833,022</u>	<u>900,524</u>	<u>929,503</u>
Other gains and losses			
Gains on financial instruments at FVTPL	142,660	200,761	344,002
Gains from disposal of investments in associates and joint ventures and subsidiaries	15,119	92,693	67,583
Net losses on disposal of property, plant and equipment and other long-term assets	(61,560)	(44,858)	(126,076)
Foreign exchange gains/(losses), net	72,986	(233,545)	27,717
Asset impairment provision	(87,812)	(230,443)	(129,102)
Others	686	1,663	(5,848)
	<u>82,079</u>	<u>(213,729)</u>	<u>178,276</u>
	<u>915,101</u>	<u>686,795</u>	<u>1,107,779</u>

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- (i) The Group is mainly eligible for the following VAT deduction policies:

Pursuant to the Announcement [2011] No. 100 “Notice on the VAT Policies for Software Products (《關於軟件產品增值稅政策的通知》)” issued in 2011 by the Ministry of Finance and the State Taxation Administration, the portion of the actual VAT burden exceeding 3% is subject to an immediate refund upon collection. Certain subsidiaries enjoy the preferential policy during the Relevant Period.

Pursuant to the Announcement [2023] No. 43 “Value-Added Tax Additional Deduction Policy for Advanced Manufacturing Enterprises (《關於先進製造業企業增值稅加計抵減政策的公告》)” issued in 2023 by the Ministry of Finance and the State Taxation Administration, advanced manufacturing enterprises allows for an additional 5% deduction of the current deductible input VAT amount to offset the payable VAT amount. Certain subsidiaries enjoy the preferential policy during the Relevant Period.

- (ii) The Group recognized amounts of asset-related government grants released to profit or loss of RMB78,480,000, RMB74,378,000 and RMB85,596,000 for years ended December 31, 2023, 2024 and 2025, and income-related government grants amounting to RMB250,835,000, RMB309,153,000 and RMB346,325,000 for the years ended December 31, 2023, 2024 and 2025, respectively. There were no specific conditions attached to the grants and the amounts were recognized in profit or loss when the grants were received.
- (iii) The amount mainly comprises interest income on cash and cash equivalent, and restricted bank deposits.
- (iv) Dividend income are mainly from equity investments at FVTOCI.

8. OTHER EXPENSES

	Year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Bank charges	59,499	54,914	31,361
Construction cost overruns	3,434	5,819	50,762
Public welfare donations	12,661	14,380	1,188
Others	21,255	8,513	11,070
	<u>96,849</u>	<u>83,626</u>	<u>94,381</u>

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9. PROFIT BEFORE TAX

The Group’s profit before tax is arrived at after charging:

	Year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Depreciation of property, plant and equipment	1,906,205	1,939,563	2,094,881
Depreciation of right-of-use assets	255,968	379,494	515,358
Amortization of intangible assets	34,199	53,942	53,349
Other depreciation and amortization	50,146	48,534	80,401
Less: amount capitalized	(90,124)	(97,191)	(59,079)
Total depreciation and amortization	2,156,394	2,324,342	2,684,910
Cost of inventories recognized as cost of sales	38,098,131	41,078,461	34,371,682
Impairment losses on inventories	158,545	250,756	90,743
Employee benefit expenses (<i>Note 10</i>)			
– Directors’ remuneration	56,862	68,927	54,599
– Other employee costs	5,102,470	5,658,839	5,791,155
Impairment losses included in			
– property, plant and equipment	71,285	202,957	108,369
– intangible assets	8,785	10,056	–
– right of use assets	947	1,400	56
– goodwill	6,795	16,030	20,677
Auditor’s remuneration	7,000	6,500	4,800
R&D expenses	1,179,215	1,267,307	1,325,959

10. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS’ REMUNERATION)

	Year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Directors fee	300	300	302
Salaries, wages and bonuses	4,315,364	4,721,518	4,852,836
Share-based compensation expenses	65,112	166,610	98,346
Housing fund, medical insurance, other social insurance and benefits ⁽ⁱ⁾	522,588	554,728	575,815
Pension costs – defined contribution plan ⁽ⁱⁱ⁾	255,968	284,610	318,455
	<u>5,159,332</u>	<u>5,727,766</u>	<u>5,845,754</u>

(i) The benefits primarily consist of staff welfare expenses, trade union funds, staff education funds and termination benefits.

(ii) During the years ended December 31, 2023, 2024 and 2025, no forfeited contributions were utilized by the Group to reduce its contributions to pension costs for the current year.

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Directors’ and supervisors’ emoluments

During the Relevant Period, directors’ and supervisors’ remuneration disclosed pursuant to the applicable Listing Rules and Hong Kong Companies Ordinance are as follows:

Year ended December 31, 2023	Fees	Salaries, wages and bonuses	Retirement benefits	Housing fund and other benefits	Share-based compensation expenses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Non-executive Directors:						
Mr. Zhu Xinmin	–	4,233	37	42	–	4,312
Mr. Lu Chuan	–	7,598	65	73	18,080	25,816
Executive Directors:						
Ms. Zhang Zhihuan (<i>chief executive</i>) ⁽ⁱ⁾	–	4,284	68	75	3,843	8,270
Mr. Nan Cunhui	–	5,397	22	47	–	5,466
Mr. Chen Guoliang ^(iv)	–	–	–	–	–	–
Mr. Nan Er	–	1,296	68	76	2,379	3,819
Mr. Lin Yiming	–	3,230	40	82	1,480	4,832
Independent Directors:						
Mr. Huang Shenjian	100	–	–	–	–	100
Ms. Peng Shu	100	–	–	–	–	100
Mr. Liu Yulong ⁽ⁱⁱ⁾	100	–	–	–	–	100
Supervisors:						
Mr. Wu Bingchi ⁽ⁱⁱⁱ⁾	–	2,061	37	42	–	2,140
Mr. Wang Sihe ⁽ⁱⁱⁱ⁾	–	1,154	11	18	–	1,183
Mr. Huang Weihong ⁽ⁱⁱⁱ⁾	–	589	64	71	–	724
Total	300	29,842	412	526	25,782	56,862

Year ended December 31, 2024	Fees	Salaries, wages and bonuses	Retirement benefits	Housing fund and other benefits	Share-based compensation expenses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Non-executive Directors:						
Mr. Zhu Xinmin	–	4,233	43	55	10,327	14,658
Mr. Lu Chuan	–	–	–	–	11,813	11,813
Executive Directors:						
Ms. Zhang Zhihuan (<i>chief executive</i>) ⁽ⁱ⁾	–	4,460	71	75	5,669	10,275
Mr. Nan Cunhui	–	5,799	–	–	–	5,799
Mr. Nan Er	–	1,361	71	75	2,379	3,886
Mr. Lin Yiming	–	3,222	43	87	4,653	8,005
Mr. Chen Guoliang ^(v)	–	–	–	–	5,769	5,769
Independent Directors:						
Mr. Huang Shenjian	100	–	–	–	–	100
Ms. Peng Shu	100	–	–	–	–	100
Mr. Liu Yulong ⁽ⁱⁱ⁾	100	–	–	–	–	100
Supervisors:						
Mr. Wu Bingchi ⁽ⁱⁱⁱ⁾	–	2,061	43	55	4,327	6,486
Mr. Wang Sihe ⁽ⁱⁱⁱ⁾	–	1,145	18	24	–	1,187
Mr. Huang Weihong ⁽ⁱⁱⁱ⁾	–	604	71	74	–	749
Total	300	22,885	360	445	44,937	68,927

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Year ended December 31, 2025	Fees	Salaries, wages and bonuses	Retirement benefits	Housing fund and other benefits	Share-based compensation expenses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Non-executive Directors:						
Mr. Zhu Xinmin	–	4,000	8	9	3,098	7,115
Mr. Lu Chuan	–	–	–	–	18,992	18,992
Executive Directors:						
Mr. Chen Guoliang (<i>chief executive</i>) ⁽ⁱ⁾	–	3,360	–	–	1,731	5,091
Mr. Nan Cunhui	–	5,397	–	–	–	5,397
Mr. Nan Er	–	1,361	71	76	1,983	3,491
Mr. Lin Yiming	–	3,246	49	89	2,186	5,570
Ms. Zhang Zhihuan ⁽ⁱ⁾	–	1,772	30	31	4,230	6,063
Independent Directors:						
Mr. Huang Shenjian	100	–	–	–	–	100
Ms. Peng Shu	100	–	–	–	–	100
Mr. Chen Yamin ^(iv)	62	–	–	–	–	62
Mr. Liu Yulong ⁽ⁱⁱ⁾	40	–	–	–	–	40
Supervisors:						
Mr. Wu Bingchi ⁽ⁱⁱⁱ⁾	–	815	16	19	1,298	2,148
Mr. Wang Sihe ⁽ⁱⁱⁱ⁾	–	416	6	8	–	430
Mr. Huang Weihong ⁽ⁱⁱⁱ⁾	–	–	–	–	–	–
Total	302	20,367	180	232	33,518	54,599

Notes:

- (i) Ms. Zhang Zhihuan was appointed as an executive director of the Company in May 2022 and resigned in May 2025.
- (ii) Mr. Liu Yulong was appointed as an independent director of the Company in May 2022, and resigned in May 2025.
- (iii) Mr. Wu Bingchi, Mr. Wang Sihe and Mr. Huang Weihong were appointed as supervisors of the Company in May 2022, and resigned in May 2025.
- (iv) Mr. Chen Yamin was appointed as an independent director of the Company in May 2025.
- (v) Mr. Chen Guoliang was appointed as an executive director of the Company in May 2022, and was appointed as the chief executive officer in May 2025.

No termination benefits were paid to the directors and supervisors of the Company by the Group in respect of the services as a director and a supervisor of the Group or other services in connection with the management of the affairs of the Group during the Relevant Period.

No consideration provided to third parties for making available directors’ and supervisors’ services subsisted at the end of each reporting period or at any time during the Relevant Period.

There were no loans, quasi-loans or other dealings entered into in favor of directors and supervisors, controlled bodies corporate by and connected entities with such directors and supervisors during the Relevant Period.

Save as disclosed in Note 46, there were no significant transactions, arrangements and contracts in relation to the Group’s business to which the Group was a party and in which a director and a supervisor of the Company had a material interest, whether directly or indirectly, subsisted during the Relevant Period.

There were no arrangement under which a director, a supervisor of the Company or the chief executive waived or agreed to waive any remuneration during the Relevant Period.

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ACCOUNTANTS’ REPORT

Five highest paid employees

The five individuals whose emoluments were the highest in the Group for the years ended December 31, 2023, 2024 and 2025 include 4, 1 and 3 directors respectively whose emoluments are reflected in the analysis shown above. The emoluments paid to the remaining 1, 4 and 2 individuals during the years ended December 31, 2023, 2024 and 2025, respectively, are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Salaries, wages and bonuses	7,465	5,237	10,407
Share-based compensation expenses	3,808	49,814	7,940
Housing fund, medical insurance, other social insurance and benefits	84	221	156
Pension costs – defined contribution plan	40	200	91
	<u>11,397</u>	<u>55,472</u>	<u>18,594</u>

Details of the remuneration of the five highest paid employees who are neither a director nor a supervisor of the Company whose remuneration fell within the following bands is as follows (HKD refers to Hong Kong Dollar, the currency of Hong Kong Special Administrative Region of the PRC):

	Year ended December 31,		
	2023	2024	2025
HKD5,000,001 to HKD10,000,000	–	–	1
HKD10,000,001 to HKD15,000,000	1	2	1
HKD15,000,001 to HKD20,000,000	–	2	–
	<u>1</u>	<u>4</u>	<u>2</u>

11. FINANCE COSTS

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Interest expenses on lease liabilities	62,851	143,112	334,494
Interest expenses on borrowings	1,334,762	1,629,632	1,649,918
Others	27,573	39,935	30,521
Finance costs before capitalization	1,425,186	1,812,679	2,014,933
Less: capitalized finance costs ⁽ⁱ⁾	<u>(14,015)</u>	<u>(23,181)</u>	<u>(11,890)</u>
	<u>1,411,171</u>	<u>1,789,498</u>	<u>2,003,043</u>

Note:

- (i) In accordance with IAS 23 Borrowing Costs, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of those assets. The capitalization rates used were 4.2%, 4.8% and 3.9% per annum for the years ended December 31, 2023, 2024 and 2025.

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12. IMPAIRMENT LOSSES (INCLUDING REVERSALS OF IMPAIRMENT LOSSES) ON FINANCIAL ASSETS AND OTHER ITEMS

	Year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Trade receivables allowance/(reversals)	46,164	212,032	(79,108)
Other receivables allowance	100,298	257,243	91,266
Loan receivables allowance	1,693	587	627
(Reversals of)/loss on impairment of contract assets	(601)	76,739	83,435
Impairment loss/(reversals) on financial guarantee contracts	2,795	33,085	(6,386)
	<u>150,349</u>	<u>579,686</u>	<u>89,834</u>

13. INCOME TAX EXPENSE

The income tax expense of the Group during the Relevant Period are analyzed as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Current tax	1,311,296	2,032,936	1,675,449
Under provision in respect of prior years	26,210	31,580	94,390
Deferred tax	207,407	(507,446)	(284,392)
	<u>1,544,913</u>	<u>1,557,070</u>	<u>1,485,447</u>

The Group is subject to income tax on an entity basis on profits arising in or derived from the different jurisdictions in which members of the Group are domiciled and operate.

PRC Corporate Income Tax

In accordance with the relevant regulations of the Enterprise Income Tax laws (the “**EIT Law**”) of the PRC, the applicable statutory tax rate of the PRC subsidiaries is 25% unless those subject to tax exemption set out below.

During the Relevant Period, the Company and certain subsidiaries of the Group have obtained High and New Technology Enterprises certification (“**HNTE**”) and hence they are entitled to a preferential corporate income tax rate of 15%.

Pursuant to Caishui [2022] No. 13 “Announcement on Further Implementing the Income Tax Preferential Policies for Small low-profit Enterprises” (關於進一步實施小微企業所得稅優惠政策的公告), Caishui [2023] No. 6 “Announcement on Preferential Income Tax Policies for Small low-profit Enterprises and Individual Industrial and Commercial Households” and Caishui [2023] No. 12 “Announcement on the Income Tax Preferential Policies for Small low-profit Enterprises and Self-employed Businesses” (關於小微企業和個體工商戶所得稅優惠政策的公告), certain subsidiaries were qualified for Small low-profit Enterprises and entitled to a preferential income tax rate of 20%, and the annual taxable income not exceeding RMB3.0 million was reduced to 25% and taxed at a rate of 20%.

During the Relevant Period, certain subsidiaries enjoy the Western Regions corporate income tax incentive, with a preferential tax rate of 15%.

Pursuant to Guoshuifa [2009] No. 80 “Notice on Issues Concerning the Implementation of Corporate Income Tax Incentives for Nationally Key-Priority Public Infrastructure Projects”, certain subsidiaries enjoy the corporate income tax preferential policy of “three-year exemption followed by three-year 50% reduction”.

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Pursuant to Article 29 of the Enterprise Income Tax Law of the PRC and relevant local regulations, the autonomous authorities of national autonomous areas may decide to reduce or exempt the portion of enterprise income tax payable by local enterprises that belongs to the local share. Certain subsidiaries enjoy the exemption of the local share portion, with a preferential tax rate of 15%.

Pursuant to Article 99 and Article 101 of the Implementing Regulations of the Enterprise Income Tax Law, as well as the Announcement on Improving the Value-Added Tax Policy for the Comprehensive Utilization of Resources (Announcement [2021] No. 40 of the Ministry of Finance and the State Taxation Administration), certain subsidiaries qualify for corporate income tax incentives related to the comprehensive utilization of resources. For these subsidiaries, 90% of the relevant income is included in the total revenue when calculating the taxable income.

Pursuant to Article 27 of the Income Tax Law of the PRC, certain subsidiaries enjoy the preferential corporate income tax policy of exemption or reduction for income derived from engaging in agriculture, forestry, animal husbandry, and fishery projects.

Hong Kong Profits Tax

Certain subsidiaries in Hong Kong are subject to Hong Kong profits tax rate of 16.5% on the estimated assessable profits during the Relevant Period.

Certain subsidiaries in Hong Kong have no profit tax as the business of these companies qualifies as offshore operations that was not subject to Hong Kong profits tax during the Relevant Period.

Corporate Income Tax in Other Jurisdictions

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

OECD Pillar Two Model Rules

The Organization for Economic Co-operation and Development (“OECD”) published Pillar Two model rules in December 2021, with the effect that a jurisdiction may enact domestic tax laws (“**Pillar Two legislation**”) to implement the Pillar Two model rules on a globally agreed common approach. Pillar Two legislation applies to a member of a multinational group within the scope of the Pillar Two model rules, which the Group is reasonably expected to fall into. It imposes a top-up tax on profits arising in a jurisdiction whenever the effective tax rate determined by the Pillar Two model rules on a jurisdictional basis is below a minimum rate of 15%.

The Group is operating in certain jurisdictions where the Pillar Two Rules is effective. The Group has reviewed its corporate structure in light of the introduction of Pillar Two model rules in various jurisdictions. The Group is liable to pay a top-up tax for any deficiency between the minimum tax rate of 15% and the effective tax rate per respective jurisdiction. The Group applies the IAS 12 exception to recognition and disclosure information about deferred tax assets and liabilities relating to Pillar Two income taxes. Due to the novelty and complexity of Pillar Two, the Group continues to monitor for advancements and further guidance on Pillar Two rules, considering impacts of such developments on its tax expense.

For those jurisdictions where the Pillar Two legislation was enacted but not effective at the reporting date, the Group has no related current tax exposure. However, certain subsidiaries of the Company are located in jurisdictions where Pillar Two legislation has been enacted, specifically countries including Bulgaria, Hungary and Netherlands, effective since January 1, 2024, as well as regions and countries including Hong Kong and Singapore, effective since 1 January, 2025. Based on the Group’s assessment, there is no impact and no material related current tax exposure in these jurisdictions for the years ended December 31, 2023, 2024 and 2025, respectively.

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The income tax expense for the Relevant Period can be reconciled to the profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Profit before tax	6,493,761	6,768,398	7,623,080
Tax at the PRC EIT rate of 15%	974,064	1,015,260	1,143,462
Effect of different tax rates applied to subsidiaries	584,099	349,012	424,796
Under provision in respect of prior years	26,210	31,580	94,390
Effect of additional tax deduction for R&D expenses	(135,762)	(169,735)	(152,633)
Tax effect of income not taxable for tax purpose	(141,370)	(127,913)	(84,034)
Tax effect of expenses not deductible for tax purposes	169,705	216,706	63,495
Utilization of tax losses and temporary differences previously not recognized	(23,074)	(36,021)	(95,224)
Tax losses and other temporary differences not recognized as deferred tax assets ⁽ⁱ⁾	91,041	278,181	91,195
	<u>1,544,913</u>	<u>1,557,070</u>	<u>1,485,447</u>

- (i) The Group did not recognize deferred income tax assets arising from the aforementioned unutilized tax losses and other temporary differences due for the years ended December 31, 2023, 2024 and 2025 to the unpredictability of future profit streams.

14. DIVIDENDS

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Final dividends in respect of the previous year, declared and paid during the year ⁽ⁱ⁾	<u>851,066</u>	<u>1,181,933</u>	<u>1,286,448</u>

- (i) The final dividends of RMB0.40, RMB0.55 and RMB0.60 per share (tax inclusive) in respect of the years ended December 31, 2022, 2023 and 2024 were approved by the Annual General Meeting of the Company. Shares held in the Company's dedicated securities account for share repurchases shall not be entitled to the profit distribution, which were RMB8,924,000, nil and RMB2,933,000 in the years ended December 31, 2023, 2024 and 2025 respectively.

15. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	Year ended December 31,		
	2023	2024	2025
Earnings:			
Earnings for the purpose of basic and diluted earnings per share attributable to owners of the Company (RMB'000)	3,686,138	3,876,416	4,512,302
Number of shares:			
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share ('000)	<u>2,127,664</u>	<u>2,143,643</u>	<u>2,140,077</u>

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16. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Details of the Group’s investments in associates and joint ventures are as follows:

The Group

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Associates	5,716,037	5,762,865	5,956,412
Joint ventures	112,153	104,004	84,105
	<u>5,828,190</u>	<u>5,866,869</u>	<u>6,040,517</u>

The movements of investments in associates and joint ventures during the Relevant Period are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
At the beginning of the year	5,235,778	5,828,190	5,866,869
Additions	487,777	23,693	262,669
Transfers ⁽ⁱ⁾	504,048	(69,753)	–
Disposals ⁽ⁱⁱ⁾	(532,605)	(124,781)	(240,021)
Share of results of associates and joint ventures	419,725	331,591	238,654
Share of other equity movements	17,310	2,848	2,276
Share of other comprehensive income	7,154	2,050	411
Dividends	(208,176)	(132,024)	(76,870)
Unrealized (losses)/gains on transactions with associates and joint ventures	(102,821)	5,055	(13,471)
At the end of the year	<u>5,828,190</u>	<u>5,866,869</u>	<u>6,040,517</u>

- (i) Transfers represent reclassifications resulting from changes in the Group’s influence over investees: increases relate to subsidiaries becoming associates upon loss of control, while decreases relate to associates reclassified to equity investments at FVTOCI upon loss of significant influence. Major transfers arising from disposal of subsidiaries during the Relevant Period have been stated in note 42(c). Except for the transfers stated in note 42(c), the Directors are of the view that other transfers did not have any significant impact on the Group’s Historical Financial Information.

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- (ii) The Group held a 37.5% interest in Taixia Smart Energy Co., Ltd. and accounted for the investment as an associate. In the year ended December 31, 2023, the Group disposed of a 37.5% interest to a third party for proceeds of RMB210,000,000. A gain of RMB14,713,000 was recognised on this transaction. Following the disposal, the Group no longer holds any equity interests in Taixia Smart Energy Co., Ltd.

In the year December 31, 2023, the Group disposed of its entire 25% equity interest of an overseas associate to an unrelated third-party for total proceeds of United States dollar (“USD”) 28,000,000. A loss on disposal of associate of RMB104,909,000 was recognised in profit or loss in respect of this transaction.

The associates and joint ventures of the Group have been accounted for based on the financial information of them prepared under the accounting policies consistent with the Group.

Details of each of the Group’s material associates at the end of the reporting period are as follows:

	As at/Year ended December 31, 2023				
	Inner Mongolia Yilikubuqi Ecology Energy Co., Ltd. (“Yili Kubuqi”)	Ten New Energy Development associates in 2018 ⁽ⁱ⁾	Yueqing Chint Photovoltaic Power Generation Co., Ltd. (“Yueqing Chint”)	Nine New Energy Development associates in 2021 ⁽ⁱⁱ⁾	Zhejiang Hangtai Shuzhi Energy Development Co., Ltd. (“Hangtai Digital Intelligence”)
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Current assets	1,377,225	2,814,781	790,462	1,094,543	2,055,782
Non-current assets	980,818	2,991,842	720,024	2,151,372	2,751,894
Current liabilities	215,348	1,098,246	59,296	572,391	1,403,777
Non-current liabilities	1,006,190	2,815,086	780,123	1,158,969	1,243,949
Net assets	1,136,505	1,893,291	671,067	1,514,555	2,159,950
The Group’s equity interest in net assets	340,951	927,712	328,822	658,085	647,985
Adjustments on unrealised profits on intragroup transactions	(22,230)	(118,467)	40,005	34,192	(26,957)
Carrying value of equity investment in associates	318,721	809,245	368,827	692,277	621,028
Revenue	220,702	788,340	170,739	412,417	527,858
Profit for the year	52,365	257,254	61,940	123,308	123,647
The Group’s equity interest in sharing of results	15,710	126,054	30,351	42,199	37,094
Adjustments on unrealised profit/(loss) on intragroup transactions	1,362	10,982	50	14,160	(23,656)
The Group’s share of profit for the year, net of tax	17,072	137,036	30,401	56,359	13,438

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As at/Year ended December 31, 2024					
	Yili Kubuqi	Ten New Energy Development associates in 2018 ⁽ⁱ⁾	Yueqing Chint	Nine New Energy Development associates in 2021 ⁽ⁱⁱ⁾	Hangtai Digital Intelligence
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current assets	1,513,346	2,937,861	878,543	1,274,481	1,625,600
Non-current assets	908,716	2,732,932	664,934	2,178,646	3,859,538
Current liabilities	260,812	1,261,017	28,082	712,661	1,707,839
Non-current liabilities	985,656	2,596,981	788,812	1,083,047	1,458,572
Net assets	1,175,594	1,812,795	726,583	1,657,419	2,318,727
The Group’s equity interest in net assets	352,678	888,270	356,026	670,720	695,618
Adjustments on unrealised profits on intragroup transactions	(20,877)	(106,572)	40,055	49,916	(26,634)
Carrying value of equity investment in associates	331,801	781,698	396,081	720,636	668,984
Revenue	198,586	562,271	162,798	424,623	632,218
Profit for the year	39,090	78,848	53,765	109,053	167,291
The Group’s equity interest in sharing of results	11,727	38,636	26,345	37,320	50,187
Adjustments on unrealised profits on intragroup transactions	1,362	11,895	50	7,579	324
The Group’s share of profit for the year, net of tax	13,089	50,531	26,395	44,899	50,511
As at/Year ended December 31, 2025					
	Yili Kubuqi	Ten New Energy Development associates in 2018 ⁽ⁱ⁾	Yueqing Chint	Nine New Energy Development associates in 2021 ⁽ⁱⁱ⁾	Hangtai Digital Intelligence
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current assets	1,649,148	2,459,196	999,572	1,488,173	1,234,025
Non-current assets	836,766	2,469,831	594,125	2,026,169	3,634,936
Current liabilities	297,751	778,701	52,083	737,921	562,559
Non-current liabilities	1,013,272	2,265,277	774,203	1,050,945	1,770,809
Net assets	1,174,891	1,885,049	767,411	1,725,476	2,535,593
The Group’s equity interest in net assets	352,467	923,674	376,031	703,966	760,678
Adjustments on unrealised profits on intragroup transactions	(19,515)	(95,235)	40,106	56,758	(25,583)
Carrying value of equity investment in associates	332,952	828,439	416,137	760,724	735,095
Revenue	146,639	466,630	167,885	426,988	882,219
(Loss)/profit for the year	(703)	21,650	39,296	109,137	216,852
The Group’s equity interest in sharing of results	(211)	10,609	19,255	37,349	65,056
Adjustments on unrealised profits on intragroup transactions	1,362	11,348	51	10,833	1,055
The Group’s share of profit for the year, net of tax	1,151	21,957	19,306	48,182	66,111

- (i) In 2018, the Group disposed of ten subsidiaries (including Yongchang Zhengtai Photovoltaic Power Generation Co., Ltd.), which were reclassified as associates after disposal and collectively disclosed as material associates.
- (ii) In 2021, the Group disposed of nine subsidiaries (including Gonghe Zhengtai Photovoltaic Power Generation Co., Ltd.), which were reclassified as associates after disposal and collectively disclosed as material associates.

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Aggregate information of associates and joint ventures that are not individually material to the Group:

	As at/Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Aggregate carrying amount of the individual associates and joint ventures	3,018,092	2,967,669	2,967,170
Aggregate amounts of the Group’s share of net profit	165,419	146,166	81,947
Other comprehensive income	7,154	2,050	411
Total comprehensive income	172,573	148,216	82,358

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Associates	1,976,390	2,027,597	2,124,569

The movements of investments in associates during the Relevant Period are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
At the beginning of the year	1,330,666	1,976,390	2,027,597
Additions	506,040	–	–
Disposals	–	(24,001)	–
Transfers	–	(22,201)	–
Share of results of associates	112,259	113,766	115,657
Share of other equity movements	9,992	1,875	804
Share of other comprehensive income	39,671	457	4,218
Dividends	(22,238)	(18,689)	(23,707)
At the end of the year	1,976,390	2,027,597	2,124,569

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As at December 31, 2023, 2024 and 2025 and the date of this report, the associates and joint ventures of the Group, which were accounted for using equity method, were as follows:

Company names	Place and date of incorporation/ establishment and type of legal entity	Principal activities and place of operation	Percentage of ownership as at December 31,			At the date of this report
			2023	2024	2025	
Yili Kubuqi (內蒙古億利庫布其生態能源有限公司)	Mainland China, January 26, 2015/ Limited liability company	Photovoltaic power station development in the PRC	30%	30%	30%	[30%]
Yongchang Zhengtai Photovoltaic Power Generation Co., Ltd. (永昌正泰光伏發電有限公司) (Note 1)	Mainland China, August 7, 2012/ Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]
Gaotai Zhengtai Photovoltaic Power Generation Co., Ltd. (高臺縣正泰光伏發電有限公司) (“Gaotai Photovoltaic”) (Note 1)	Mainland China, August 3, 2012/ Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]
Dunhuang Zhengtai Photovoltaic Power Generation Co., Ltd. (敦煌正泰光伏發電有限公司) (Note 1)	Mainland China, August 8, 2011/ Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]
Dunhuang Tianrun New Energy Co., Ltd. (敦煌市天潤新能源有限公司) (Note 1)	Mainland China, April 25, 2014/Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]
Jiayuguan Zhengtai Photovoltaic Power Generation Co., Ltd. (嘉峪關正泰光伏發電有限公司) (“Jiayuguan Photovoltaic”) (Note 1)	Mainland China, April 25, 2014/Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]
Zhongwei Zhengtai Photovoltaic Power Generation Co., Ltd. (中衛正泰光伏發電有限公司) (“Zhongwei Zhengtai”) (Note 1)	Mainland China, November 14, 2012/ Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]
Guazhou County Light Source Photovoltaic Power Generation Co., Ltd. (瓜州縣光源光伏發電有限公司) (Note 1)	Mainland China, March 11, 2014/Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]
Jinchang Weisheng Solar Power Generation Co., Ltd. (金昌帷盛太陽能發電有限公司) (Note 1)	Mainland China, March 11, 2014/Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]
Minqin Zhengtai Photovoltaic Power Generation Co., Ltd. (民勤縣正泰光伏發電有限公司) (“Minqin Photovoltaic”) (Note 1)	Mainland China, August 7, 2012/ Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]

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Company names	Place and date of incorporation/ establishment and type of legal entity	Principal activities and place of operation	Percentage of ownership as at December 31,			At the date of this report
			2023	2024	2025	
Zhongwei Qingyin Yuanxing Solar Energy Co., Ltd. (中衛清銀源星太陽能有限責任公司) (Note 1)	Mainland China, September 10, 2014/ Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]
Yueqing Chint (樂清正泰光伏發電有限公司)	Mainland China, January 13, 2014/ Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]
Gonghe Zhengtai Photovoltaic Power Generation Co., Ltd. (共和正泰光伏發電有限公司) (“Gonghe Zhengtai”) (Note 2)	Mainland China, June 25, 2013/Limited liability company	Photovoltaic power station development in the PRC	30%	30%	30%	[30%]
Hangzhou Lin'an Taite Photovoltaic Power Generation Co., Ltd. (杭州臨安泰特光伏發電有限公司) (“Linan Taite”) (Note 2)	Mainland China, November 12, 2014/ Limited liability company	Photovoltaic power station development in the PRC	30%	30%	30%	[30%]
Ji'an Jiangtai Photovoltaic Power Generation Co., Ltd. (吉安市江泰光伏發電有限公司) (“Ji'an Jiangtai”) (Note 2)	Mainland China, August 10, 2015/ Limited liability company	Photovoltaic power station development in the PRC	30%	30%	30%	[30%]
Huadian New Energy Hangtai (Quzhou) Photovoltaic Power Generation Co., Ltd. (華電新能杭泰(衢州)光伏發電有限公司) (“Quzhou Hangtai”) (Note 2)	Mainland China, April 15, 2016/Limited liability company	Photovoltaic power station development in the PRC	30%	30%	30%	[30%]
Jiangxi Ningsheng Electric Power Development Co., Ltd. (江西寧升電力開發有限公司) (“Jiangxi Ningsheng”) (Note 2)	Mainland China, June 16, 2014/Limited liability company	Photovoltaic power station development in the PRC	30%	30%	30%	[30%]
Ji'an Shengtian New Energy Co., Ltd. (吉安盛天新能源有限公司) (“Ji'an Shengtian”) (Note 2)	Mainland China, September 8, 2015/ Limited liability company	Photovoltaic power station development in the PRC	30%	30%	30%	[30%]
Changchun Zhetai Solar Power Generation Co., Ltd. (長春浙泰太陽能發電有限公司) (“Changchun Zhetai”) (Note 2)	Mainland China, August 28, 2019/ Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]
Jiangshan Zhengtai Linnong Photovoltaic Development Co., Ltd. (江山正泰林農光伏發展有限公司) (“jiangshan Zhengtai”) (Note 2)	Mainland China, August 11, 2014/ Limited liability company	Photovoltaic power station development in the PRC	49%	49%	49%	[49%]

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Company names	Place and date of incorporation/ establishment and type of legal entity	Principal activities and place of operation	Percentage of ownership as at December 31,			At the date of this report
			2023	2024	2025	
Hangzhou Dongtai Photovoltaic Power Generation Co., Ltd. (杭州東泰光伏發電有限公司) (“Hangzhou Dongtai”) (Note 2)	Mainland China, February 3, 2015/ Limited liability company	Photovoltaic power station development in the PRC	30%	30%	30%	[30%]
Hangtai Digital Intelligence (浙江杭泰數智能源開發有限公司)	Mainland China, December 13, 2022/ Limited liability company	Photovoltaic power station development in the PRC	30%	30%	30%	[30%]

Note 1: The above 10 companies, collectively referred to as the “Ten New Energy Development associates in 2018”, are disclosed as material associates.

Note 2: The above 9 companies, collectively referred to as the “Nine New Energy Development associates in 2021”, are disclosed as material associates.

17. FINANCIAL INSTRUMENTS MEASURED AT FVTOCI

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Non-current assets			
Equity investments at FVTOCI	1,722,996	2,193,438	2,834,325
Current assets			
Note receivables at FVTOCI ⁽ⁱ⁾	130,493	112,871	148,161

- (i) The Group discounts and endorses certain note receivables in the ordinary course of cash management. Since the business model of holding note receivables is held for both collecting contractual cash flows and selling, these note receivables are classified as financial assets at FVTOCI. All the note receivables are with a maturity period of less than one year.

The credit risk on note receivables at FVTOCI is limited because the counterparties are banks with high credit ratings assigned by credit rating agencies. The Directors are of the view that the credit risk of note receivables at FVTOCI was minimal and no impairment was provided.

Details of impairment assessment of note receivables at FVTOCI are set out in Note 45.

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18. FINANCIAL ASSETS AT FVTPL

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Listed equity investments, at fair value	379,421	415,564	412,803
Unlisted equity investments, at fair value	2,382,946	3,887,801	6,021,312
Derivative financial instruments ⁽ⁱ⁾	11,389	6,693	126,223
Performance compensation	–	5,857	–
	2,773,756	4,315,915	6,560,338
Portion classified as non-current portion	(2,762,362)	(4,303,365)	(6,434,115)
Current portion	11,394	12,550	126,223

- (i) The above derivative financial instruments are foreign currency forwards, interest rate swap and commodity futures held for trading.

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Listed equity investments, at fair value	379,421	415,564	412,803
Unlisted equity investments, at fair value	155,660	292,617	304,636
Derivative financial instruments ⁽ⁱ⁾	1,763	–	119,275
	536,844	708,181	836,714
Portion classified as non-current portion	(535,081)	(708,181)	(717,439)
Current portion	1,763	–	119,275

- (i) The above derivative financial instruments are foreign currency forwards, interest rate swap and commodity futures held for trading.

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19. INVESTMENTS IN SUBSIDIARIES

During the Relevant Period, the Company’s principal subsidiaries are as follows:

Equity interests held by the Company											
Name of subsidiaries	Place of incorporation and type of legal entity	Share capital registered/paid-up capital	As at December 31,						At the date of this report		Principal activities
			2023		2024		2025		Direct	Indirect	
			Direct	Indirect	Direct	Indirect	Direct	Indirect			
'000											
1 Jiangsu Chint Power Technology Co., Ltd. (“Chint Power”) (江蘇正泰電源科技股份有限公司) ^(a)	PRC, limited liability company	RMB360,869	24.62%	–	24.54%	–	24.70%	–	[24.70%]	–	Research and development production and sales of energy storage system, inverter and metal products
2 Noark Electrics (Shanghai) Co., Ltd. (上海諾雅克電氣有限公司)	PRC, limited liability company	RMB345,600	100%	–	100%	–	100%	–	[100%]	–	Research and development production and sales of intelligent electrical products
3 Wenzhou Chint Electrical Technology Co., Ltd. (溫州正泰電器科技有限公司)	PRC, limited liability company	RMB430,000	100%	–	100%	–	100%	–	[100%]	–	Research and development production and sales of control electrical products
4 Zhejiang Chint Instrument & Meter Co., Ltd. (浙江正泰儀器儀表有限責任公司)	PRC, limited liability company	RMB637,657/ RMB586,130	76.92%	–	76.92%	–	70.71%	–	[70.71%]	–	Research and development production and sales of instruments and meters
5 Zhejiang Chint New Energy Development Co., Ltd. (浙江正泰新能源開發有限公司)	PRC, limited liability company	RMB9,385,081	98.4%	1.6%	98.4%	1.6%	98.4%	1.6%	[98.4%]	[1.6%]	Development and construction of photovoltaic power stations
6 Chint Solar (Zhejiang) Co., Ltd. (浙江正泰太陽能科技有限公司)	PRC, limited liability company	RMB3,575,176/ RMB3,483,556	–	100%	–	100%	–	100%	–	[100%]	Development and construction of photovoltaic power stations
7 Chint Global PTE. Ltd. (正泰國際有限公司)	Singapore	SGD65,322 USD43,510	100%	–	100%	–	100%	–	[100%]	–	Sale of electrical and wiring accessories and Electrical works
8 Chint Anneng Digital Energy (Zhejiang) Co., Ltd. (正泰安能數字能源(浙江)股份有限公司)	PRC, limited liability company	RMB2,438,439	62.54%	1.59%	62.54%	1.59%	62.54%	5.54%	[62.54%]	[5.54%]	Design, development construction, operation and maintenance of residential photovoltaic power stations
9 Zhejiang Shantai New Energy Co., Ltd. (浙江善泰新能源有限公司)	PRC, limited liability company	RMB100,000	–	64.13%	–	64.13%	–	68.08%	–	[68.08%]	Procurement platform of photovoltaic modules and other components
10 Wenzhou Xiangtai New Energy Investment Co., Ltd. (溫州翔泰新能源投資有限公司)	PRC, limited liability company	RMB100,000	–	64.13%	–	64.13%	–	68.08%	–	[68.08%]	Procurement platform of photovoltaic modules and other components

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Equity interests held by the Company											
Name of subsidiaries	Place of incorporation and type of legal entity	Share capital registered/paid-up capital	As at December 31,						At the date of this report		Principal activities
			2023		2024		2025		Direct	Indirect	
			Direct	Indirect	Direct	Indirect	Direct	Indirect			
'000											
11 Zhejiang Chaotai Technology Co., Ltd. (浙江朝泰科技有限公司)	PRC, limited liability company	RMB50,000	-	64.13%	-	64.13%	-	68.08%	-	[68.08%]	Operation and maintenance services for residential Photovoltaic station
12 Zhejiang Taizhou New Energy Co., Ltd. (浙江泰舟新能源有限公司)	PRC, limited liability company	RMB50,000	-	64.13%	-	64.13%	-	68.08%	-	[68.08%]	Equity investment platform of Photovoltaic station project companies
13 Wenzhou Taiji Suwei Technology Co., Ltd. (温州泰集速维科技有限公司)	PRC, limited liability company	RMB50,000/nil	-	64.13%	-	64.13%	-	68.08%	-	[68.08%]	Development and construction of residential Photovoltaic station solutions
14 Wenzhou Taiji New Energy Co., Ltd. (温州泰集新能源有限公司)	PRC, limited liability company	RMB50,000/nil	-	64.13%	-	64.13%	-	68.08%	-	[68.08%]	Equity investment platform of Photovoltaic station project companies
15 Xinqi (Jiaxing) Energy Equipment Co., Ltd. (新启(嘉兴)能源设备有限公司)	PRC, limited liability company	RMB20,000/nil	-	64.13%	-	64.13%	-	68.08%	-	[68.08%]	Development of distributed photovoltaic projects and EPC services

(i) Management considers that the Group has de facto control over Chint Power even though it has less than 50% of the voting rights based on the following factors:

- 1) Chint Power is a listed company on the Shenzhen Stock Exchange. The Company is the single largest shareholder of Chint Power and directly holds 24.62%, 24.54% and 24.70% of its equity interest as of December 31, 2023, 2024, 2025, respectively.
- 2) The Company obtained an “acting in concert” undertaking from Wenzhou Zhuotai Enterprise Management Partnership (Limited Partnership), which holds 4.92% equity interest in Chint Power.
- 3) The rest of the voting rights of Chint Power is dispersed and since the date of Chint Power’s listing, there has been no history of any other shareholders collaborating to exercise their vote collectively or to out vote the Group.
- 4) The Group has majority seats of the non-independent directors of this entity in voting for its related operating and financial activities.

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The statutory auditors of the above subsidiaries of the Group during the Relevant Period are set out below:

Name of subsidiaries	Name of statutory auditors		
	2023	2024	2025
1 Chint Power (江蘇正泰電源科技股份有限公司)(i)	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP
2 Noark Electrics (Shanghai) Co., Ltd. (上海諾雅克電氣有限公司)	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP
3 Wenzhou Chint Electrical Technology Co., Ltd. (溫州正泰電器科技有限公司)	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP
4 Zhejiang Chint Instrument & Meter Co., Ltd. (浙江正泰儀器儀表有限責任公司)	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP
5 Zhejiang Chint New Energy Development Co., Ltd. (浙江正泰新能源開發有限公司)	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP
6 Chint Solar (Zhejiang) Co., Ltd. (浙江正泰太陽能科技有限公司)	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP
7 Chint Global PTE. Ltd. (正泰國際有限公司)	Pan-China Singapore PAC	Pan-China Singapore PAC	Pan-China Singapore PAC
8 Chint Anneng Digital Energy (Zhejiang) Co., Ltd. (“Chint Anneng”) (正泰安能數字能源(浙江)股份有限公司)	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP
9 Zhejiang Shantai New Energy Co., Ltd. (浙江善泰新能源有限公司)(a)	–	–	Pan-China Certified Public Accountants LLP
10 Wenzhou Xiangtai New Energy Investment Co., Ltd. (溫州翔泰新能源投資有限公司)(a)	–	–	–
11 Zhejiang Chaotai Technology Co., Ltd. (浙江朝泰科技有限公司)	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP
12 Zhejiang Taizhou New Energy Co., Ltd. (浙江泰舟新能源有限公司)	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP
13 Wenzhou Taiji Suwei Technology Co., Ltd. (溫州泰集速維科技有限公司)(a)	–	Pan-China Certified Public Accountants LLP	Pan-China Certified Public Accountants LLP
14 Wenzhou Taiji New Energy Co., Ltd. (溫州泰集新能源有限公司)(a)	–	–	–
15 Xinqi (Jiaxing) Energy Equipment Co., Ltd. (新啓(嘉興)能源設備有限公司)(a)	–	–	Pan-China Certified Public

(a) No audited statutory financial statements were available for these subsidiaries during the Relevant Period.

(b) The English names of the Chinese Mainland companies are direct translation of their Chinese registered names.

(c) The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results or assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

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(d) Material non-controlling interests

As at December 31, 2023, 2024 and 2025, the total non-controlling interests were RMB7,414,910,000, RMB8,601,104,000 and RMB9,225,864,000, of which RMB5,766,683,000, RMB7,015,803,000 and RMB8,022,179,000 were attributable to Chint Anneng, Chint Power and Zhejiang Chint Instrument & Meter Co., Ltd. (“**Chint Instrument & Meter**”).

Summarized financial information on subsidiaries with material non-controlling interests:

(e) Material non-controlling interests

	Year ended/as at December 31, 2023		
	Chint Anneng	Chint Power	Chint Instrument & Meter
	RMB'000	RMB'000	RMB'000
Revenue	29,606,215	1,939,851	1,970,828
Profit for the year	2,603,742	70,014	283,002
Total comprehensive income for the year	2,642,956	73,941	283,002
Net cash generated from operating activities	22,554	121,758	366,793
Total current assets	37,073,017	2,821,977	1,629,025
Total non-current assets	19,599,468	1,344,117	1,134,356
Total assets	56,672,485	4,166,094	2,763,381
Total current liabilities	29,017,212	1,618,456	839,708
Total non-current liabilities	15,844,255	683,473	256,059
Total liabilities	44,861,467	2,301,929	1,095,767

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	Year ended/as at December 31, 2024		
	Chint Anneng	Chint Power	Chint Instrument & Meter
	RMB'000	RMB'000	RMB'000
Revenue	31,826,456	3,370,554	1,983,472
Profit for the year	2,860,975	273,267	292,405
Total comprehensive income for the year	2,840,377	279,836	292,405
Net cash generated from operating activities	11,847,728	239,026	430,088
Total current assets	47,936,736	3,621,064	1,839,907
Total non current assets	26,320,529	1,397,265	889,261
Total assets	74,257,265	5,018,329	2,729,168
Total current liabilities	37,121,065	2,106,242	880,396
Total non current liabilities	22,472,183	767,679	3,003
Total liabilities	59,593,248	2,873,921	883,399

	Year ended/as at December 31, 2025		
	Chint Anneng	Chint Power	Chint Instrument & Meter
	RMB'000	RMB'000	RMB'000
Revenue	28,727,706	4,064,908	2,432,194
Profit for the year	3,039,799	347,475	360,267
Total comprehensive income for the year	3,278,971	359,330	362,086
Net cash generated from operating activities	17,122,885	247,079	451,552
Total non-current assets	59,349,198	3,952,463	2,278,943
Total current assets	33,667,600	1,362,853	838,173
Total assets	93,016,798	5,315,316	3,117,116
Total non-current liabilities	43,596,550	2,269,464	908,907
Total current liabilities	31,425,245	605,794	16,469
Total liabilities	75,021,795	2,875,258	925,376

(f) None of the subsidiaries had issued any debt securities at the end of the year.

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Investments in subsidiaries

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Investments in subsidiaries	18,294,885	18,702,667	20,020,662

20. PROPERTY, PLANT AND EQUIPMENT

The Group

	Freehold land	Buildings	Machinery devices	Motor vehicles	Electronic equipment	Photovoltaic power station	R&D ⁽ⁱ⁾ equipment	Other equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2023											
Cost	20,791	2,922,103	3,078,806	64,878	197,152	26,985,336	21,531	572,556	3,509,651	126,804	37,499,608
Accumulated depreciation	–	(1,173,795)	(1,019,914)	(40,396)	(151,470)	(3,874,221)	(10,280)	(296,338)	–	(45,362)	(6,611,776)
Accumulated impairment	–	–	(4,295)	–	–	(133,590)	–	(3)	–	–	(137,888)
Carrying amounts	20,791	1,748,308	2,054,597	24,482	45,682	22,977,525	11,251	276,215	3,509,651	81,442	30,749,944
Opening carrying amounts	20,791	1,748,308	2,054,597	24,482	45,682	22,977,525	11,251	276,215	3,509,651	81,442	30,749,944
Additions	1,630	115,927	367,353	10,584	32,016	–	51	15,393	4,838,924	53,853	5,435,731
Disposals	–	(20,545)	(9,201)	(1,567)	(2,190)	(463,182)	(1,672)	(21,142)	(195)	(6,337)	(526,031)
Transfers from construction in progress	–	534,493	231,168	–	5,729	5,544,033	697	3,910	(6,320,030)	–	–
Transfers to intangible assets	–	–	–	–	–	–	–	–	(5,901)	–	(5,901)
Disposal of subsidiaries (Note 42(c))	–	(818)	(3,273)	(830)	(614)	(3,911,420)	–	(34)	–	–	(3,916,989)
Transfers to investment properties	–	(13,592)	–	–	–	–	–	–	(129,255)	–	(142,847)
Transfers from investment properties	–	7,149	–	–	–	–	–	–	–	–	7,149
Transfers to inventories	–	–	–	–	–	(1,903,077)	–	–	–	–	(1,903,077)
Business combination (Note 42(a))	17,453	439,618	177,556	3,272	8,508	531,735	–	377	3,902	–	1,182,421
Depreciation charge	–	(186,494)	(290,280)	(9,341)	(28,719)	(1,329,364)	(2,189)	(22,693)	–	(37,125)	(1,906,205)
Impairment losses	–	–	–	–	–	(71,285)	–	–	–	–	(71,285)
Others	(1,752)	212	3,814	376	(745)	(312)	(314)	(2,462)	(5,204)	–	(6,387)
Closing carrying amounts	38,122	2,624,258	2,531,734	26,976	59,667	21,374,653	7,824	249,564	1,891,892	91,833	28,896,523
At December 31, 2023											
Cost	38,122	4,151,059	3,965,413	77,417	242,983	25,951,205	17,706	559,446	1,891,892	169,917	37,065,160
Accumulated depreciation	–	(1,526,801)	(1,428,067)	(50,441)	(183,316)	(4,395,345)	(9,882)	(309,879)	–	(78,084)	(7,981,815)
Accumulated impairment	–	–	(5,612)	–	–	(181,207)	–	(3)	–	–	(186,822)
Carrying amounts	38,122	2,624,258	2,531,734	26,976	59,667	21,374,653	7,824	249,564	1,891,892	91,833	28,896,523

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	Freehold land	Buildings	Machinery devices	Motor vehicles	Electronic equipment	Photovoltaic power station	R&D ⁽ⁱ⁾ equipment	Other equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2024											
Cost	38,122	4,151,059	3,965,413	77,417	242,983	25,951,205	17,706	559,446	1,891,892	169,917	37,065,160
Accumulated depreciation	–	(1,526,801)	(1,428,067)	(50,441)	(183,316)	(4,395,345)	(9,882)	(309,879)	–	(78,084)	(7,981,815)
Accumulated impairment	–	–	(5,612)	–	–	(181,207)	–	(3)	–	–	(186,822)
Carrying amounts	38,122	2,624,258	2,531,734	26,976	59,667	21,374,653	7,824	249,564	1,891,892	91,833	28,896,523
Opening carrying amounts	38,122	2,624,258	2,531,734	26,976	59,667	21,374,653	7,824	249,564	1,891,892	91,833	28,896,523
Additions	–	122,808	233,625	11,164	35,126	82,516	8,004	20,922	3,634,810	45,348	4,194,323
Disposals	(1,400)	(58,361)	(158,480)	(393)	(2,045)	(58,530)	(55)	(23,389)	(850)	(150)	(303,653)
Transfers from construction in progress	–	279,744	112,911	–	9,230	2,136,979	–	11,284	(2,550,148)	–	–
Transfers to intangible assets	–	–	–	–	–	–	–	–	(10,505)	–	(10,505)
Disposal of subsidiaries (Note 42(c))	–	–	–	(92)	(4)	(51,363)	–	–	(845,633)	–	(897,092)
Transfers to investment properties	–	(4,959)	–	–	–	–	–	–	(49,870)	–	(54,829)
Transfers from investment properties	–	13,578	–	–	–	–	–	–	–	–	13,578
Transfers to inventories	–	–	–	–	–	(10,145)	–	–	(202,519)	–	(212,664)
Business combination (Note 42(a))	–	17,974	–	–	–	–	–	–	–	–	17,974
Depreciation charge	–	(216,707)	(314,064)	(9,595)	(31,855)	(1,281,627)	(2,112)	(44,529)	–	(39,074)	(1,939,563)
Impairment losses	–	–	(3,559)	–	–	(199,398)	–	–	–	–	(202,957)
Others	(5,397)	(2,717)	2,052	(925)	196	(1,309)	–	(7)	10,705	(225)	2,373
Closing carrying amounts	31,325	2,775,618	2,404,219	27,135	70,315	21,991,776	13,661	213,845	1,877,882	97,732	29,503,508
At December 31, 2024											
Cost	31,325	4,506,719	4,049,948	79,903	267,073	28,008,006	24,445	538,884	1,877,882	217,178	39,601,363
Accumulated depreciation	–	(1,731,101)	(1,636,558)	(52,768)	(196,758)	(5,643,856)	(10,784)	(325,036)	–	(119,446)	(9,716,307)
Accumulated impairment	–	–	(9,171)	–	–	(372,374)	–	(3)	–	–	(381,548)
Carrying amounts	31,325	2,775,618	2,404,219	27,135	70,315	21,991,776	13,661	213,845	1,877,882	97,732	29,503,508

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	Freehold land	Buildings	Machinery devices	Motor vehicles	Electronic equipment	Photovoltaic power station	R&D ⁽ⁱ⁾ equipment	Other equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2025											
Cost	31,325	4,506,719	4,049,948	79,903	267,073	28,008,006	24,445	538,884	1,877,882	217,178	39,601,363
Accumulated depreciation	-	(1,731,101)	(1,636,558)	(52,768)	(196,758)	(5,643,856)	(10,784)	(325,036)	-	(119,446)	(9,716,307)
Accumulated impairment	-	-	(9,171)	-	-	(372,374)	-	(3)	-	-	(381,548)
Carrying amounts	31,325	2,775,618	2,404,219	27,135	70,315	21,991,776	13,661	213,845	1,877,882	97,732	29,503,508
Opening carrying amounts	31,325	2,775,618	2,404,219	27,135	70,315	21,991,776	13,661	213,845	1,877,882	97,732	29,503,508
Additions	3,650	51,562	130,725	5,999	26,248	6,488	1,046	23,143	1,946,052	20,757	2,215,670
Disposals	-	(7,904)	(34,860)	(595)	(1,861)	(182,155)	(4,074)	(4,217)	(765)	(275)	(236,706)
Transfers from construction in progress	-	438,489	34,294	-	1,349	2,256,841	-	2,157	(2,733,130)	-	-
Transfers to intangible assets	-	-	-	-	-	-	-	-	(7,323)	-	(7,323)
Disposal of subsidiaries (Note 42(c))	-	-	-	-	-	(442,154)	-	-	-	-	(442,154)
Transfers to investment properties	-	(46,606)	-	-	-	-	-	-	-	-	(46,606)
Transfers to right-of-use assets	-	-	-	-	-	-	-	-	(10,298)	-	(10,298)
Transfers to inventories	-	-	-	-	-	(17,509)	-	-	-	-	(17,509)
Business combination (Note 42(a))	-	-	-	8	11	974,014	-	11	-	-	974,044
Depreciation charge	-	(206,840)	(313,958)	(8,799)	(25,204)	(1,449,104)	(1,416)	(42,937)	-	(46,623)	(2,094,881)
Impairment losses	-	(653)	-	-	-	(107,716)	-	-	-	-	(108,369)
Others	869	(4,609)	(1,195)	751	586	(2,596)	-	1,723	(5,487)	(15)	(9,973)
Closing carrying amounts	35,844	2,999,057	2,219,225	24,499	71,444	23,027,885	9,217	193,725	1,066,931	71,576	29,719,403
At December 31, 2025											
Cost	35,844	4,840,070	4,099,948	83,356	279,667	30,758,445	14,923	553,749	1,066,931	237,660	41,970,593
Accumulated depreciation	-	(1,840,360)	(1,871,750)	(58,857)	(208,223)	(7,250,581)	(5,706)	(360,021)	-	(166,084)	(11,761,582)
Accumulated impairment	-	(653)	(8,973)	-	-	(479,979)	-	(3)	-	-	(489,608)
Carrying amounts	35,844	2,999,057	2,219,225	24,499	71,444	23,027,885	9,217	193,725	1,066,931	71,576	29,719,403

- (a) Property, plant, and equipment other than freehold land and construction in progress, are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The above items of property, plant and equipment, after taking into account the residual values, where applicable, are depreciated on a straight-line basis or, in the case of leasehold improvements, the shorter of lease term at the following estimated useful lives:

Buildings	20 years
Machinery devices	5–10 years
Motor vehicles	5–10 years
Electronic equipment	3–5 years
Photovoltaic power station	20 years
R&D equipment	7 years
Other equipment	5–20 years
Leasehold improvements	Shorter of their useful life and lease term

- (b) As at December 31, 2023, 2024 and 2025, property, plant and equipment with carrying amounts of approximately RMB1,652,386,000, RMB3,090,231,000 and RMB8,528,310,000 were pledged for secured bank borrowings.

As at December 31, 2023, 2024 and 2025, property, plant and equipment with carrying amounts of approximately RMB111,303, 000, RMB175,455,000 and RMB180,046,000 had not completed the property right certification procedures.

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	Buildings	Machinery devices	Motor vehicles	Electronic equipment	R&D equipment	Other equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2023									
Cost	741,378	947,470	15,135	77,276	9,226	67,112	221,926	38,185	2,117,708
Accumulated depreciation	(283,804)	(472,371)	(11,296)	(68,163)	(3,652)	(37,378)	–	(13,182)	(889,846)
Accumulated impairment	–	(962)	–	–	–	–	–	–	(962)
Carrying amounts	457,574	474,137	3,839	9,113	5,574	29,734	221,926	25,003	1,226,900
Opening carrying amounts	457,574	474,137	3,839	9,113	5,574	29,734	221,926	25,003	1,226,900
Additions	1,974	146,412	–	2,939	–	2,033	–	11,584	164,942
Disposals	–	(12,154)	(222)	(201)	(209)	(332)	–	–	(13,118)
Transfers from construction in progress	–	59,783	–	–	–	5	(59,788)	–	–
Depreciation charge	(33,719)	(77,544)	(1,985)	(4,009)	(860)	(5,645)	–	(13,389)	(137,151)
Closing carrying amounts	425,829	590,634	1,632	7,842	4,505	25,795	162,138	23,198	1,241,573
At December 31, 2023									
Cost	743,352	1,108,109	12,725	77,140	8,872	66,067	162,138	49,769	2,228,172
Accumulated depreciation	(317,523)	(516,513)	(11,093)	(69,298)	(4,367)	(40,272)	–	(26,571)	(985,637)
Accumulated impairment	–	(962)	–	–	–	–	–	–	(962)
Carrying amounts	425,829	590,634	1,632	7,842	4,505	25,795	162,138	23,198	1,241,573

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ACCOUNTANTS’ REPORT

	Buildings	Machinery devices	Motor vehicles	Electronic equipment	R&D equipment	Other equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2024									
Cost	743,352	1,108,109	12,725	77,140	8,872	66,067	162,138	49,769	2,228,172
Accumulated depreciation	(317,523)	(516,513)	(11,093)	(69,298)	(4,367)	(40,272)	–	(26,571)	(985,637)
Accumulated impairment	–	(962)	–	–	–	–	–	–	(962)
Carrying amounts	425,829	590,634	1,632	7,842	4,505	25,795	162,138	23,198	1,241,573
Opening carrying amounts	425,829	590,634	1,632	7,842	4,505	25,795	162,138	23,198	1,241,573
Additions	28,995	100,696	241	4,109	–	2,738	–	17,081	153,860
Disposals	–	(13,386)	(111)	–	–	(6,519)	–	–	(20,016)
Transfers from construction in progress	72,987	17,425	–	462	–	1,921	(92,795)	–	–
Transfers to intangible assets	–	–	–	–	–	–	(7,536)	–	(7,536)
Depreciation charge	(31,191)	(95,925)	(721)	(2,920)	(840)	(5,772)	–	(12,440)	(149,809)
Others	–	–	–	–	–	–	(939)	–	(939)
Closing carrying amounts	496,620	599,444	1,041	9,493	3,665	18,163	60,868	27,839	1,217,133
At December 31, 2024									
Cost	845,334	1,187,239	10,754	79,520	8,871	59,630	60,868	66,851	2,319,067
Accumulated depreciation	(348,714)	(586,833)	(9,713)	(70,027)	(5,206)	(41,467)	–	(39,012)	(1,100,972)
Accumulated impairment	–	(962)	–	–	–	–	–	–	(962)
Carrying amounts	496,620	599,444	1,041	9,493	3,665	18,163	60,868	27,839	1,217,133

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	Buildings	Machinery devices	Motor vehicles	Electronic equipment	R&D equipment	Other equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2025									
Cost	845,334	1,187,239	10,754	79,520	8,871	59,630	60,868	66,851	2,319,067
Accumulated depreciation	(348,714)	(586,833)	(9,713)	(70,027)	(5,206)	(41,467)	–	(39,012)	(1,100,972)
Accumulated impairment	–	(962)	–	–	–	–	–	–	(962)
Carrying amounts	496,620	599,444	1,041	9,493	3,665	18,163	60,868	27,839	1,217,133
Opening carrying amounts	496,620	599,444	1,041	9,493	3,665	18,163	60,868	27,839	1,217,133
Additions	30,126	16,392	11	2,439	–	5,111	–	4,149	58,228
Disposals	(1,820)	(3,368)	(16)	(169)	(3,371)	(68)	–	–	(8,812)
Transfers from construction in progress	2,335	34,055	–	142	–	78	(36,610)	–	–
Transfers to intangible assets	–	–	–	–	–	–	(2,763)	–	(2,763)
Depreciation charge	(32,773)	(99,115)	(297)	(3,296)	(275)	(5,379)	–	(14,589)	(155,724)
Others	(2,648)	642	(5)	–	–	(286)	–	–	(2,297)
Closing carrying amounts	491,840	548,050	734	8,609	19	17,619	21,495	17,399	1,105,765
At December 31, 2025									
Cost	873,135	1,213,969	10,444	78,341	236	63,735	21,495	71,000	2,332,355
Accumulated depreciation	(381,295)	(664,957)	(9,710)	(69,732)	(217)	(46,116)	–	(53,601)	(1,225,628)
Accumulated impairment	–	(962)	–	–	–	–	–	–	(962)
Carrying amounts	491,840	548,050	734	8,609	19	17,619	21,495	17,399	1,105,765

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ACCOUNTANTS’ REPORT

21. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group

Right-of-use assets

	Buildings	Leasehold land	Land use right	Roof	Photovoltaic power station	Machinery devices	Other equipment	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2023								
Cost	316,451	242,096	690,598	337,427	977,057	2,614	13,253	2,579,496
Accumulated depreciation	(130,490)	(20,382)	(191,521)	(42,451)	(196,817)	(980)	(478)	(583,119)
Accumulated impairment	–	–	–	–	(21,392)	–	–	(21,392)
Carrying amounts	185,961	221,714	499,077	294,976	758,848	1,634	12,775	1,974,985
Opening carrying amounts	185,961	221,714	499,077	294,976	758,848	1,634	12,775	1,974,985
Additions	99,890	25,205	482,936	469,134	–	738	359	1,078,262
Business combination <i>(Note 42(a))</i>	552	3,204	136,154	–	–	–	–	139,910
Disposal of subsidiaries <i>(Note 42(c))</i>	–	(34,016)	(1,202)	(189,041)	–	–	–	(224,259)
Lease modification	(25,586)	–	–	(20,170)	(5,627)	–	–	(51,383)
Depreciation charges	(99,073)	(13,756)	(33,642)	(14,218)	(92,748)	(1,796)	(735)	(255,968)
Impairment losses	–	–	–	–	(947)	–	–	(947)
Transfers to investment properties	–	–	(7,416)	–	–	–	–	(7,416)
Others	(2,655)	–	138	–	–	–	–	(2,517)
Closing carrying amounts	159,089	202,351	1,076,045	540,681	659,526	576	12,399	2,650,667
At December 31, 2023								
Cost	326,464	231,183	1,320,037	564,215	971,320	3,352	13,612	3,430,183
Accumulated depreciation	(167,375)	(28,832)	(243,992)	(23,534)	(289,565)	(2,776)	(1,213)	(757,287)
Accumulated impairment	–	–	–	–	(22,229)	–	–	(22,229)
Carrying amounts	159,089	202,351	1,076,045	540,681	659,526	576	12,399	2,650,667
At January 1, 2024								
Cost	326,464	231,183	1,320,037	564,215	971,320	3,352	13,612	3,430,183
Accumulated depreciation	(167,375)	(28,832)	(243,992)	(23,534)	(289,565)	(2,776)	(1,213)	(757,287)
Accumulated impairment	–	–	–	–	(22,229)	–	–	(22,229)
Carrying amounts	159,089	202,351	1,076,045	540,681	659,526	576	12,399	2,650,667
Opening carrying amounts	159,089	202,351	1,076,045	540,681	659,526	576	12,399	2,650,667
Additions	115,904	51,424	13,377	4,521,275	209,524	–	–	4,911,504
Transfers to assets classified as held for sale	–	–	(23,432)	–	–	–	–	(23,432)
Disposal(i)	–	–	(48,870)	–	–	–	–	(48,870)
Disposal of subsidiaries <i>(Note 42(c))</i>	–	–	(143,848)	(1,359)	(187,712)	–	–	(332,919)
Lease modification	(14,342)	–	–	(1,669)	(6,364)	–	–	(22,375)
Depreciation charges	(117,267)	(13,116)	(35,572)	(110,510)	(101,929)	(317)	(783)	(379,494)
Impairment losses	–	–	–	–	(1,400)	–	–	(1,400)
Others	258	2,671	(18)	(2,493)	–	(19)	–	399
Closing carrying amounts	143,642	243,330	837,682	4,945,925	571,645	240	11,616	6,754,080

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	Buildings	Leasehold land	Land use right	Roof	Photovoltaic power station	Machinery devices	Other equipment	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2024								
Cost	300,232	285,196	1,101,141	5,079,275	977,978	738	13,612	7,758,172
Accumulated depreciation	(156,590)	(41,866)	(263,459)	(133,350)	(383,941)	(498)	(1,996)	(981,700)
Accumulated impairment	—	—	—	—	(22,392)	—	—	(22,392)
Carrying amounts	143,642	243,330	837,682	4,945,925	571,645	240	11,616	6,754,080
At January 1, 2025								
Cost	300,232	285,196	1,101,141	5,079,275	977,978	738	13,612	7,758,172
Accumulated depreciation	(156,590)	(41,866)	(263,459)	(133,350)	(383,941)	(498)	(1,996)	(981,700)
Accumulated impairment	—	—	—	—	(22,392)	—	—	(22,392)
Carrying amounts	143,642	243,330	837,682	4,945,925	571,645	240	11,616	6,754,080
Opening carrying amounts	143,642	243,330	837,682	4,945,925	571,645	240	11,616	6,754,080
Additions	117,391	32,260	22,919	7,100,217	—	359	549	7,273,695
Business combination (Note 42(a))	—	46,821	—	23,113	—	—	—	69,934
Transfers from construction in progress	—	—	10,298	—	—	—	—	10,298
Disposal(i)	—	—	(18,493)	(2,200,003)	—	—	—	(2,218,496)
Disposal of subsidiaries (Note 42(c))	—	(45,136)	(2,269)	—	—	—	—	(47,405)
Lease modification	(13,423)	(14,818)	—	(8,809)	(3,788)	(266)	—	(41,104)
Depreciation charges	(81,908)	(21,507)	(31,061)	(265,831)	(113,801)	(294)	(956)	(515,358)
Impairment losses	—	—	—	—	(56)	—	—	(56)
Transfers to investment properties	—	—	(7,460)	—	—	—	—	(7,460)
Others	368	—	18,485	—	—	—	5	18,858
Closing carrying amounts	166,070	240,950	830,101	9,594,612	454,000	39	11,214	11,296,986
At December 31, 2025								
Cost	271,219	301,424	1,117,671	9,997,031	970,172	141	14,162	12,671,820
Accumulated depreciation	(105,149)	(60,474)	(287,570)	(402,419)	(494,148)	(102)	(2,948)	(1,352,810)
Accumulated impairment	—	—	—	—	(22,024)	—	—	(22,024)
Carrying amounts	166,070	240,950	830,101	9,594,612	454,000	39	11,214	11,296,986

- (i) Primarily attributable to the disposal by Chint Anneng of certain photovoltaic power stations, together with the related roof lease arrangement, to third-party investors.

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Lease liabilities

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Lease liabilities payable:			
Within one year	192,486	314,654	412,748
Within a period of more than one year but not more than two years	182,914	300,314	713,251
Within a period of more than two years but not more than five years	524,131	870,376	2,056,719
Within a period of more than five years	607,679	4,379,257	7,323,207
	1,507,210	5,864,601	10,505,925
Less: Amount due for settlement within 12 months shown under current liabilities	(192,486)	(314,654)	(412,748)
Amount due for settlement after 12 months shown under non-current liabilities	1,314,724	5,549,947	10,093,177

As at December 31, 2023, 2024 and 2025, land-use rights of the Group with carrying amounts of approximately RMB173,056,000, RMB143,676,000 and RMB161,046,000, respectively were pledged for secured bank borrowings.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee’s incremental borrowing rate is used. The discount rates used during the years ended December 31, 2023, 2024 and 2025 were 3.41% to 5.20%, 3.10% to 5.10%, 2.72% to 5.23%, respectively.

Amounts recognized in the consolidated statements of profit or loss and other comprehensive income:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Interest expenses (including in finance costs)	62,851	143,112	334,494
Expenses relating to short-term and low value leases not included in lease liabilities	117,659	128,503	134,260

The total cash outflows for lease payments during the years ended December 31, 2023, 2024 and 2025 were approximately RMB395,528,000, RMB555,779,000 and RMB854,770,000 respectively.

The Group primarily leases roof, properties, photovoltaic power stations, offices and land-use-right as lessee. Lease contracts are typically made for fixed periods from 2 to 20 years. They are stated at cost less accumulated depreciation and accumulated impairment losses.

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ACCOUNTANTS’ REPORT

The Company

Right-of-use assets

	Buildings	Land use right	Machinery devices	Other equipment	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At January 1, 2023					
Cost	114,220	115,568	–	–	229,788
Accumulated depreciation	(54,115)	(59,941)	–	–	(114,056)
Carrying amounts	60,105	55,627	–	–	115,732
Opening carrying amounts	60,105	55,627	–	–	115,732
Additions	22,441	–	1,097	359	23,897
Lease modification	(840)	–	–	–	(840)
Depreciation charges	(33,599)	(5,379)	(206)	(24)	(39,208)
Closing carrying amounts	48,107	50,248	891	335	99,581
At December 31, 2023					
Cost	105,529	115,568	1,097	359	222,553
Accumulated depreciation	(57,422)	(65,320)	(206)	(24)	(122,972)
Carrying amounts	48,107	50,248	891	335	99,581
	Buildings	Land use right	Machinery devices	Other equipment	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At January 1, 2024					
Cost	105,529	115,568	1,097	359	222,553
Accumulated depreciation	(57,422)	(65,320)	(206)	(24)	(122,972)
Carrying amounts	48,107	50,248	891	335	99,581
Opening carrying amounts	48,107	50,248	891	335	99,581
Additions	7,005	–	–	–	7,005
Lease modification	(10,170)	–	–	–	(10,170)
Depreciation charges	(23,869)	(5,815)	(388)	(72)	(30,144)
Closing carrying amounts	21,073	44,433	503	263	66,272
At December 31, 2024					
Cost	62,906	115,568	1,097	359	179,930
Accumulated depreciation	(41,833)	(71,135)	(594)	(96)	(113,658)
Carrying amounts	21,073	44,433	503	263	66,272

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	<u>Buildings</u>	<u>Land use right</u>	<u>Machinery devices</u>	<u>Other equipment</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At January 1, 2025					
Cost	62,906	115,568	1,097	359	179,930
Accumulated depreciation	(41,833)	(71,135)	(594)	(96)	(113,658)
Carrying amounts	21,073	44,433	503	263	66,272
Opening carrying amounts	21,073	44,433	503	263	66,272
Additions	12,221	–	–	–	12,221
Lease modification	(4,747)	–	(266)	–	(5,013)
Depreciation charges	(13,378)	(5,813)	(198)	(72)	(19,461)
Closing carrying amounts	15,169	38,620	39	191	54,019
At December 31, 2025					
Cost	25,303	115,568	141	359	141,371
Accumulated depreciation	(10,134)	(76,948)	(102)	(168)	(87,352)
Carrying amounts	15,169	38,620	39	191	54,019

Lease liabilities

	As at December 31,		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Lease liabilities payable:			
Within one year	32,108	17,701	7,065
Within a period of more than one year but not more than two years	18,013	3,572	6,495
Within a period of more than two years but not more than five years	4,323	2,995	3,231
Within a period of more than five years	–	–	–
	54,444	24,268	16,791
Less: Amount due for settlement within 12 months shown under current liabilities	(32,108)	(17,701)	(7,065)
Amount due for settlement after 12 months shown under non-current liabilities	22,336	6,567	9,726

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22. INTANGIBLE ASSETS

The Group

	Software	Patent right	Non-patent technologies	Trademark	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At January 1, 2023					
Cost	193,306	52,546	65,450	14,996	326,298
Accumulated amortization	(125,598)	(25,350)	(19,659)	(4,051)	(174,658)
Accumulated impairment	(195)	(27,000)	(32,343)	–	(59,538)
Carrying amounts	67,513	196	13,448	10,945	92,102
Year ended December 31, 2023					
Opening carrying amounts	67,513	196	13,448	10,945	92,102
Additions	27,322	10,481	–	412	38,215
Disposals	(352)	–	(195)	–	(547)
Transfers from construction in progress	5,901	–	–	–	5,901
Business combination (<i>Note 42(a)</i>)	6,409	22,700	3,000	18,811	50,920
Disposal of subsidiaries (<i>Note 42(c)</i>)	(188)	–	–	–	(188)
Charged for the year	(27,371)	(2,355)	(1,892)	(2,581)	(34,199)
Impairment loss	–	–	(5,152)	(3,633)	(8,785)
Others	308	–	29	–	337
Closing carrying amounts	79,542	31,022	9,238	23,954	143,756
At December 31, 2023					
Cost	228,917	85,727	72,351	34,219	421,214
Accumulated amortization	(149,180)	(27,705)	(25,618)	(6,632)	(209,135)
Accumulated impairment	(195)	(27,000)	(37,495)	(3,633)	(68,323)
Carrying amounts	79,542	31,022	9,238	23,954	143,756

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	Software	Patent right	Non-patent technologies	Trademark	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At January 1, 2024					
Cost	228,917	85,727	72,351	34,219	421,214
Accumulated amortization	(149,180)	(27,705)	(25,618)	(6,632)	(209,135)
Accumulated impairment	(195)	(27,000)	(37,495)	(3,633)	(68,323)
Carrying amounts	79,542	31,022	9,238	23,954	143,756
Year ended December 31, 2024					
Opening carrying amounts	79,542	31,022	9,238	23,954	143,756
Additions	46,459	1,047	–	–	47,506
Disposals	(297)	(627)	–	(290)	(1,214)
Transfers from construction in progress	10,505	–	–	–	10,505
Business combination (<i>Note 42(a)</i>)	–	–	220	–	220
Charged for the year	(43,805)	(4,593)	(2,156)	(3,388)	(53,942)
Impairment loss	–	–	(6,325)	(3,731)	(10,056)
Others	(34)	–	26	6	(2)
Closing carrying amounts	92,370	26,849	1,003	16,551	136,773
At December 31, 2024					
Cost	283,905	84,917	30,140	33,913	432,875
Accumulated amortization	(191,477)	(31,068)	(17,661)	(9,999)	(250,205)
Accumulated impairment	(58)	(27,000)	(11,476)	(7,363)	(45,897)
Carrying amounts	92,370	26,849	1,003	16,551	136,773

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	Software	Patent right	Non-patent technologies	Trademark	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At January 1, 2025					
Cost	283,905	84,917	30,140	33,913	432,875
Accumulated amortization	(191,477)	(31,068)	(17,661)	(9,999)	(250,205)
Accumulated impairment	(58)	(27,000)	(11,476)	(7,363)	(45,897)
Carrying amounts	92,370	26,849	1,003	16,551	136,773
Year ended December 31, 2025					
Opening carrying amounts	92,370	26,849	1,003	16,551	136,773
Additions	25,220	1,999	6,740	–	33,959
Disposals	(83)	–	–	–	(83)
Transfers from construction in progress	623	6,700	–	–	7,323
Business combination (<i>Note 42(a)</i>)	39	–	–	–	39
Disposal of subsidiaries (<i>Note 42(c)</i>)	(24)	–	–	–	(24)
Charged for the year	(41,858)	(4,828)	(4,164)	(2,499)	(53,349)
Others	1,488	3,300	24	–	4,812
Closing carrying amounts	77,775	34,020	3,603	14,052	129,450
At December 31, 2025					
Cost	308,249	96,684	37,015	33,913	475,861
Accumulated amortization	(230,416)	(35,664)	(21,936)	(12,498)	(300,514)
Accumulated impairment	(58)	(27,000)	(11,476)	(7,363)	(45,897)
Carrying amounts	77,775	34,020	3,603	14,052	129,450

(a) Amortization methods and periods

The Group amortizes intangible assets with a limited useful life using the straight-line method over the following periods:

Software	3–20 years
Patent right	3–20 years
Non-patent technologies	3–10 years
Trademark	5–10 years

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23. GOODWILL

The Group

RMB’000

At January 1, 2023

Cost	229,951
Accumulated impairment	(89,010)

Carrying amounts

140,941

Year ended December 31, 2023

Opening carrying amounts	140,941
Additions ⁽ⁱ⁾	393,478
Impairment losses	(6,795)

Closing carrying amounts

527,624

At December 31, 2023

Cost	623,429
Accumulated impairment	(95,805)

Carrying amounts

527,624

- (i) In the year ended December 31, 2023, the Group recognised goodwill of RMB389,510,000 and RMB3,968,000 arising from the acquisitions of Chint Power and Shandong Luzheng Electronics Co., Ltd., respectively. Further details regarding the acquisition of Chint Power are disclosed in Note 42(a).

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RMB’000

At January 1, 2024

Cost	623,429
Accumulated impairment	(95,805)

Carrying amounts	527,624
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Year ended December 31, 2024

Opening carrying amounts	527,624
Impairment losses	(16,030)

Closing carrying amounts	511,594
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At December 31, 2024

Cost	623,429
Accumulated impairment	(111,835)

Carrying amounts	511,594
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At January 1, 2025

Cost	623,429
Accumulated impairment	(111,835)

Carrying amounts	511,594
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Year ended December 31, 2025

Opening carrying amounts	511,594
Impairment losses	(20,677)

Closing carrying amounts	490,917
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At December 31, 2025

Cost	623,429
Accumulated impairment	(132,512)

Carrying amounts	490,917
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Impairment Tests of Goodwill

The cost of goodwill allocated to the cash generating units or group of cash generating units (“CGU” or “CGUs”) are as follows:

	December 31, 2023	December 31, 2024	December 31, 2025
	RMB'000	RMB'000	RMB'000
Shanghai ELECON CGU ⁽ⁱ⁾	91,628	91,628	91,628
Nantong Shentai CGU ⁽ⁱⁱ⁾	93,328	93,328	93,328
Alpha Automation CGU ⁽ⁱⁱⁱ⁾	23,210	23,210	23,210
CHINT POWER CGU ^(iv)	389,510	389,510	389,510
Others	25,753	25,753	25,753
	<u>623,429</u>	<u>623,429</u>	<u>623,429</u>

The impairment loss of goodwill allocated to the CGU or CGUs are as follows:

	December 31, 2023	December 31, 2024	December 31, 2025
	RMB'000	RMB'000	RMB'000
Shanghai ELECON CGU ⁽ⁱ⁾	83,995	83,995	91,628
Nantong Shentai CGU ⁽ⁱⁱ⁾	–	11,315	24,359
Others	11,810	16,525	16,525
	<u>95,805</u>	<u>111,835</u>	<u>132,512</u>

- (i) The goodwill is generated from business combination of Shanghai ELECON Intelligent Technology Co., Ltd. (“**Shanghai ELECON**”) in March 2020. Management regards Shanghai ELECON as a separate CGU and reviews the business performance and monitors the goodwill on the individual CGU basis.
- (ii) The goodwill is generated from business combination of Nantong Shentai Thermal Power Co., Ltd. (“**Nantong Shentai**”) in January 2020. Management regards Nantong Shentai as a separate CGU and reviews the business performance and monitors the goodwill on the individual CGU basis.
- (iii) The goodwill is generated from business combination of Alpha Automation (Selangor) Sdn. Bhd. (“**Alpha Automation**”) in September 2022. Management regards Alpha Automation as a separate CGU and reviews the business performance and monitors the goodwill on the individual CGU basis.
- (iv) The goodwill is generated from business combination of CHINT POWER in February 2023. Management regards CHINT POWER as a separate CGU and reviews the business performance and monitors the goodwill on the individual CGU basis.

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The following table sets out the key assumptions for these CGUs that have goodwill allocated to Nantong Shentai and Alpha Automation:

Year ended 31 December 2023

	<u>Nantong Shentai</u>	<u>Alpha Automation</u>
Revenue annual growth rates	10.72% to 18.51%	5.00%
Operating profit margin	(3.36%) to 19.72%	29.00%
Perpetual annual growth rates	0.00%	0.00%
Pre-tax discount rates	10.32%	14.03%

Year ended 31 December 2024

	<u>Nantong Shentai</u>	<u>Alpha Automation</u>
Revenue annual growth rates	7.22% to 16.19%	3.12%
Operating profit margin	3.29% to 20.96%	29.14%
Perpetual annual growth rates	0.00%	0.00%
Pre-tax discount rates	11.04%	12.53%

Year ended 31 December 2025

	<u>Nantong Shentai</u>	<u>Alpha Automation</u>
Revenue annual growth rates	4.22% to 12.74%	2.98%
Operating profit margin	8.24% to 21.26%	27.11%
Perpetual annual growth rates	0.00%	0.00%
Pre-tax discount rates	11.27%	12.41%

- (i) Due to the poor overall operating condition for Shanghai ELECON, VIU is estimated to be lower than FVLCD. Consequently, the recoverable amount is calculated in FVLCD and impairment loss is recognized.
- (ii) Since CHINT POWER is a listed company, its stock price can be readily obtained in the open market, allowing for a reliable estimation of FVLCD. As FVLCD is higher than the carrying amount, no impairment loss is recognized.

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Management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used to determine values
Revenue annual growth rates	Revenue annual growth rate is estimated over the five-year forecast period. The management of the Group used a five-year period as the projection period for the cash flow forecast, which was in line with the period length used in the corresponding strategic planning and long-term budgeting purpose.
Operating profit margin	Based on past performance and management’s expectations for the future.
Perpetual annual growth rates	This is the weighted average growth rate used to extrapolate cash flows beyond the forecast period. The rates are determined after making reference to long term inflation rate of the countries in which they operate. The perpetual annual growth rates remained stable which was due to the fact that the long-term inflation rates of the relevant countries were relatively stable during the Relevant Period.
Pre-tax discount rates	Estimated by using the weighted average cost of capital (“WACC”) method. The WACC was calculated by referring to public market data including risk free rate, market return, beta of comparable public companies etc. and the specific risk of the business.

The recoverable amount based on the VIU or FVLCD calculation for each CGUs are as follow:

	December 31, 2023	December 31, 2024	December 31, 2025
	RMB’000	RMB’000	RMB’000
Shanghai ELECON	196,688	57,922	41,318
Nantong Shentai	197,500	173,000	133,000
Alpha Automation	79,544	147,087	130,570

The amounts by which each unit’s recoverable amount exceeds its carrying amount (“headroom”) are as follows:

	December 31, 2023	December 31, 2024	December 31, 2025
	RMB’000	RMB’000	RMB’000
Shanghai ELECON	N/A ⁽ⁱ⁾	22,022	N/A ⁽ⁱ⁾
Nantong Shentai	4,405	N/A ⁽ⁱ⁾	N/A ⁽ⁱ⁾
Alpha Automation	4,808	75,392	62,301
CHINT POWER	3,466,111	1,323,752	3,835,095

- (i) Based on the results of impairment test as at December 31, 2023, 2024 and 2025, except the impairment losses of RMB6,795,000 and RMB7,633,000 were recognized for goodwill allocated to the Shanghai ELECON CGU in 2023 and 2025 respectively, the impairment losses of RMB11,315,000 and RMB13,044,000 were recognized for goodwill allocated to the Nantong Shentai CGU in 2024 and 2025 respectively, and the impairment losses of RMB4,715,000 were recognized for goodwill allocated to others in 2024, no further impairment losses of the Group’s goodwill was recognized.

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24. INVESTMENT PROPERTIES

The Group

	Buildings	Land use rights	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At January 1, 2023			
Cost	379,073	14,649	393,722
Accumulated depreciation	(139,089)	(4,106)	(143,195)
Carrying amounts	239,984	10,543	250,527
Year ended December 31, 2023			
Opening carrying amounts	239,984	10,543	250,527
Transfers from property, plant and equipment	142,847	–	142,847
Transfers from right-of-use assets	–	7,416	7,416
Transfers to property, plant and equipment	(7,149)	–	(7,149)
Provided for the year	(18,790)	(581)	(19,371)
Closing carrying amounts	356,892	17,378	374,270
At December 31, 2023			
Cost	526,901	22,065	548,966
Accumulated depreciation	(170,009)	(4,687)	(174,696)
Carrying amounts	356,892	17,378	374,270
	Buildings	Land use rights	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At January 1, 2024			
Cost	526,901	22,065	548,966
Accumulated depreciation	(170,009)	(4,687)	(174,696)
Carrying amounts	356,892	17,378	374,270
Year ended December 31, 2024			
Opening carrying amounts	356,892	17,378	374,270
Transfers from property, plant and equipment	54,829	–	54,829
Transfers to property, plant and equipment	(13,578)	–	(13,578)
Provided for the year	(25,219)	(482)	(25,701)
Closing carrying amounts	372,924	16,896	389,820
At December 31, 2024			
Cost	562,384	22,065	584,449
Accumulated depreciation	(189,460)	(5,169)	(194,629)
Carrying amounts	372,924	16,896	389,820

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	Buildings	Land use rights	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At January 1, 2025			
Cost	562,384	22,065	584,449
Accumulated depreciation	(189,460)	(5,169)	(194,629)
Carrying amounts	372,924	16,896	389,820
Year ended December 31, 2025			
Opening carrying amounts	372,924	16,896	389,820
Transfers from property, plant and equipment	46,606	–	46,606
Transfers from right-of-use assets	–	7,460	7,460
Provided for the year	(29,684)	(768)	(30,452)
Closing carrying amounts	389,846	23,588	413,434
At December 31, 2025			
Cost	706,493	36,019	742,512
Accumulated depreciation	(316,647)	(12,431)	(329,078)
Carrying amounts	389,846	23,588	413,434
	Year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Rental income from operating leases	72,452	85,459	90,685
Direct operating expenses from property that generated rental income (all are charged to cost of sales)	19,371	25,701	30,452

The investment properties are stated at cost less accumulated depreciation. Depreciation is calculated using the straight-line method to write off the cost to its residual value over its estimated useful life. The estimated useful lives are as follows:

Buildings	20 years
Land use rights	20–50 years

As at December 31, 2023, 2024 and 2025, investment properties of the Group of RMB93,950,000, RMB117,225,000 and RMB110,522,000 were pledged to banks to secure the loans granted to the Group.

As at December 31, 2023, 2024 and 2025, the fair values are not materially different from their original cost.

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25. DEFERRED TAX ASSETS/LIABILITIES

For the purpose of presentation in the consolidated statements of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Gross deferred tax assets	1,576,718	2,110,041	3,875,561
Offsetting against deferred tax liabilities	(364,057)	(416,353)	(1,885,082)
Net deferred tax assets	1,212,661	1,693,688	1,990,479
Gross deferred tax liabilities	1,779,275	1,784,910	3,226,310
Offsetting against deferred tax assets	(364,057)	(416,353)	(1,885,082)
Net deferred tax liabilities	1,415,218	1,368,557	1,341,228

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Gross deferred tax assets	196,765	320,412	306,136
Offsetting against deferred tax liabilities	(143,288)	(150,821)	(155,884)
Net deferred tax assets	53,477	169,591	150,252
Gross deferred tax liabilities	143,288	150,821	155,884
Offsetting against deferred tax assets	(143,288)	(150,821)	(155,884)
Net deferred tax liabilities	–	–	–

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The following are the deferred tax assets (liabilities) recognized and movements thereon during the years ended 31 December 2023, 2024 and 2025:

Deferred tax assets

The Group

	Loss allowance and impairment provision	Refund liabilities and accruals	Provisions for warranties	Sales rebate	Unrealised profits	Contract liabilities	Fair value adjustments	Lease liabilities	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2023	139,623	108,618	45,309	67,897	421,201	28,413	13,664	228,272	21,975	1,074,972
Credited/(charged) to profit or loss	25,005	(39,468)	(12,612)	(11,264)	543,580	4,618	–	(23,070)	11,113	497,902
Credited to OCI	–	–	–	–	–	–	3,844	–	–	3,844
At December 31, 2023	<u>164,628</u>	<u>69,150</u>	<u>32,697</u>	<u>56,633</u>	<u>964,781</u>	<u>33,031</u>	<u>17,508</u>	<u>205,202</u>	<u>33,088</u>	<u>1,576,718</u>
At January 1, 2024	164,628	69,150	32,697	56,633	964,781	33,031	17,508	205,202	33,088	1,576,718
Credited/(charged) to profit or loss	111,310	77,904	(1,787)	69,743	256,814	8,489	–	(3,081)	12,764	532,156
Credited to OCI	–	–	–	–	–	–	1,167	–	–	1,167
At December 31, 2024	<u>275,938</u>	<u>147,054</u>	<u>30,910</u>	<u>126,376</u>	<u>1,221,595</u>	<u>41,520</u>	<u>18,675</u>	<u>202,121</u>	<u>45,852</u>	<u>2,110,041</u>
At January 1, 2025	275,938	147,054	30,910	126,376	1,221,595	41,520	18,675	202,121	45,852	2,110,041
(Charged)/credited to profit or loss	(47,799)	34,091	4,019	17,956	279,723	8,992	–	1,428,969	(24,498)	1,701,453
Credited to OCI	–	–	–	–	–	–	60,227	–	–	60,227
Currency translation difference	–	–	–	–	–	–	3,840	–	–	3,840
At December 31, 2025	<u>228,139</u>	<u>181,145</u>	<u>34,929</u>	<u>144,332</u>	<u>1,501,318</u>	<u>50,512</u>	<u>82,742</u>	<u>1,631,090</u>	<u>21,354</u>	<u>3,875,561</u>

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Deferred tax liabilities

The Group

	Valuation increase	Right of use assets	Depreciation of fixed assets	Fair value adjustments	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2023	1,892	240,588	723,732	103,122	14,416	1,083,750
Charged/(credited) to profit or loss	74,658	(27,864)	688,875	(16,021)	(14,339)	705,309
Charged to OCI	–	–	–	7,876	–	7,876
Currency translation difference	–	–	–	(17,660)	–	(17,660)
At December 31, 2023	<u>76,550</u>	<u>212,724</u>	<u>1,412,607</u>	<u>77,317</u>	<u>77</u>	<u>1,779,275</u>
At January 1, 2024	76,550	212,724	1,412,607	77,317	77	1,779,275
(Credited)/charged to profit or loss	(39,301)	(631)	52,922	11,734	(14)	24,710
Credited to OCI	–	–	–	(33,428)	–	(33,428)
Currency translation difference	–	–	–	14,353	–	14,353
At December 31, 2024	<u>37,249</u>	<u>212,093</u>	<u>1,465,529</u>	<u>69,976</u>	<u>63</u>	<u>1,784,910</u>
At January 1, 2025	37,249	212,093	1,465,529	69,976	63	1,784,910
Charged/(credited) to profit or loss	21,885	1,406,942	(29,410)	17,707	(63)	1,417,061
Charged to OCI	–	–	–	40,082	–	40,082
Currency translation difference	–	–	–	(15,743)	–	(15,743)
At December 31, 2025	<u>59,134</u>	<u>1,619,035</u>	<u>1,436,119</u>	<u>112,022</u>	<u>–</u>	<u>3,226,310</u>

Deferred tax assets have not been recognized in respect of the following items:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Tax losses	521,375	1,201,655	2,004,146
Deductible temporary differences	2,060,862	2,489,833	2,754,253
	<u>2,582,237</u>	<u>3,691,488</u>	<u>4,758,399</u>

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The tax losses not recognized deferred tax assets can be carried forward in future years. As at December 31, 2023, 2024 and 2025, the following table shows unused tax losses based on its expected expiry date:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
2024	34,763	–	–
2025	48,795	30,516	–
2026	112,498	87,939	77,269
2027	162,981	158,178	152,227
2028	154,223	137,921	116,470
2029	8,115	696,029	457,167
2030	–	91,072	1,006,758
2031 and thereafter	–	–	194,255
	<u>521,375</u>	<u>1,201,655</u>	<u>2,004,146</u>

26. TRADE AND NOTE RECEIVABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current			
Trade receivables	15,831,854	16,180,264	13,607,761
– due from related parties	2,408,612	1,887,900	763,865
– due from third parties	13,423,242	14,292,364	12,843,896
Note receivables	1,899,059	2,373,044	2,529,271
– due from related parties	55,718	315	36,997
– due from third parties	1,843,341	2,372,729	2,492,274
Less: allowance for credit losses	(1,424,542)	(1,510,875)	(1,315,029)
	<u>16,306,371</u>	<u>17,042,433</u>	<u>14,822,003</u>
Non-current			
Trade receivables	3,530	4,771	14,376
– due from third parties	3,530	4,771	14,376
Less: allowance for credit losses	(178)	(113)	(536)
	<u>3,352</u>	<u>4,658</u>	<u>13,840</u>

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- (a) As at January 1, 2023, the gross carrying amounts of trade and note receivables from contracts with customers amounted to RMB16,952,101,000 (net of ECL of RMB1,422,996,000).
- (b) The normal credit term to the customers ranged between 30 days and 180 days. Ageing of trade receivables is prepared based on the invoice date, which approximated the respective revenue recognition dates, as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	12,674,341	11,888,196	10,871,558
1 to 2 years	1,208,401	2,067,028	1,291,666
2 to 3 years	775,082	837,731	615,131
Over 3 years	1,177,560	1,392,080	843,782
	<u>15,835,384</u>	<u>16,185,035</u>	<u>13,622,137</u>

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current			
Trade receivables	4,932,986	4,484,483	3,327,922
– due from subsidiaries	303,309	260,821	318,954
– due from other parties	4,629,677	4,223,662	3,008,968
Note receivables	1,551,187	1,789,492	1,880,019
– due from subsidiaries	11,276	68,952	20,120
– due from other parties	1,539,911	1,720,540	1,859,899
Less: allowance for credit losses	(424,279)	(391,195)	(211,659)
	<u>6,059,894</u>	<u>5,882,780</u>	<u>4,996,282</u>

Ageing of trade receivables is prepared based on the invoice date, which approximated the respective revenue recognition dates, as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	4,674,208	4,266,006	3,254,678
1 to 2 years	96,050	56,787	32,295
2 to 3 years	54,617	30,520	14,895
Over 3 years	108,111	131,170	26,054
	<u>4,932,986</u>	<u>4,484,483</u>	<u>3,327,922</u>

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27. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group		As at December 31,		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Non-current				
Prepayment:				
Prepayment for non-current assets		128,923	109,986	79,035
Other receivables:				
Deposits		84,057	121,269	363,230
Loan receivables:				
Loan receivables		571,436	458,527	189,357
Less: credit loss allowance		(90,667)	(90,716)	(92,455)
		480,769	367,811	96,902
Other non-current assets:				
Deductible taxes		3,441,924	4,513,518	5,883,752
Asset for the right to returned products		95,393	201,270	598,787
Vegetation restoration costs		31,837	38,432	35,266
Others		78,095	139,599	101,791
		3,647,249	4,892,819	6,619,596
		4,340,998	5,491,885	7,158,763
Current				
Prepayments:				
Prepayments for operating expenses, raw material and finished goods		1,253,251	1,200,455	1,873,831
Other receivables:				
Deposits receivable		367,548	417,815	340,885
Due from related parties		941,106	367,194	605,109
Due from third parties		1,255,971	2,895,138	614,837
Receivables from equity investments disposal		467,373	449,468	383,775
Dividends receivables		344,227	402,049	131,974
Others		126,390	89,583	104,160
		3,502,615	4,621,247	2,180,740
Less: impairment provision		(442,285)	(697,957)	(789,525)
		3,060,330	3,923,290	1,391,215
Other current assets:				
Deductible taxes		954,932	1,069,958	1,384,189
Prepaid taxes		82,572	36,071	26,106
Others		30,277	35,761	56,197
		1,067,781	1,141,790	1,466,492
		5,381,362	6,265,535	4,731,538

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The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Non-current			
Prepayment for non-current assets	60,686	30,000	–
Other non-current assets	–	83	233
	60,686	30,083	233
Current			
Prepayments:			
Prepayments for operating expenses, raw material and finished goods	182,925	169,834	160,461
Other receivables:			
Due from related parties (<i>Note</i>)	1,750,084	1,967,541	1,231,287
Due from third parties	3,075	3,213	2,334
Deposits receivables	113,145	112,096	111,999
Others	7,421	8,290	6,067
	1,873,725	2,091,140	1,351,687
Less: provision for impairment	(212,833)	(403,974)	(640,119)
	1,660,892	1,687,166	711,568
Other current assets:			
Deductible taxes	190,805	132,904	119,238
Others	–	297	1,453
	190,805	133,201	120,691
	2,034,622	1,990,201	992,720

Note: Balances at December 31, 2023, 2024 and 2025 were unsecured, interest-bearing and repayable on demand.

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28. INVENTORIES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Materials in transit	165,956	207,489	209,941
Raw materials	2,713,746	2,055,579	1,666,035
Work in progress	339,904	300,394	314,203
Finished goods	26,433,016	37,397,311	52,660,748
Contract fulfillment costs	7,699,766	4,057,144	1,657,939
Goods in transit	354,631	412,601	367,431
Outsourced processing materials	90,791	174,496	291,286
Consumptive biological assets	28,656	26,478	24,174
Low value consumables	1,367	2,561	222
Properties under development	364,555	376,328	–
Properties for sale	–	–	385,344
	<u>38,192,388</u>	<u>45,010,381</u>	<u>57,577,323</u>
Less: provision for impairment	<u>(248,754)</u>	<u>(449,589)</u>	<u>(373,355)</u>
	<u><u>37,943,634</u></u>	<u><u>44,560,792</u></u>	<u><u>57,203,968</u></u>

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Raw materials	100,545	168,792	116,282
Work in progress	82,264	87,725	93,975
Finished goods	1,297,158	1,493,365	1,112,164
Goods in transit	37,495	–	102,305
Outsourced processing materials	–	–	38,062
	<u>1,517,462</u>	<u>1,749,882</u>	<u>1,462,788</u>
Less: provision for impairment	<u>(11,110)</u>	<u>(25,142)</u>	<u>(18,414)</u>
	<u><u>1,506,352</u></u>	<u><u>1,724,740</u></u>	<u><u>1,444,374</u></u>

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29. CASH AND CASH EQUIVALENTS AND RESTRICTED BANK DEPOSITS

(a) Cash and Cash Equivalents

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Cash and bank balances	12,093,829	12,183,550	14,047,124
Whereof: deposits with the related finance company and commercial bank	6,571,241	6,578,646	6,447,765
Less: restricted cash	(769,243)	(747,820)	(968,653)
	<u>11,324,586</u>	<u>11,435,730</u>	<u>13,078,471</u>

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Cash and bank balances	1,522,872	777,652	897,858
Whereof: deposits with finance company	666,713	595,041	518,628
Less: restricted cash	(17,231)	(25,486)	(72,696)
	<u>1,505,641</u>	<u>752,166</u>	<u>825,162</u>

The Group’s and the Company’s cash and cash equivalents include demand deposits and short-term deposits for the purpose of meeting the Group’s short term cash commitments, which carry interest at market rates ranging from 0.05% to 1.50%, 0.10% to 1.15% and 0.10% to 1.15% per annum as at December 31, 2023, 2024 and 2025, respectively.

(b) Restricted bank deposits

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current			
Deposits	606,042	396,204	414,819
Restricted cash for loan repayment	80,000	80,000	86,500
Term deposits pledged	1,653	30,053	5,000
Term deposits over three months	56,271	112,900	360,000
Deposits for investment activities	13,149	119,547	70,874
Blocked bank balances	10,561	6,250	9,460
Others	1,567	2,866	22,000
	<u>769,243</u>	<u>747,820</u>	<u>968,653</u>

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The Company

	As at December 31,		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Deposits	4,082	1,724	894
Deposits for investment activities	13,149	23,002	70,874
Blocked bank balances	–	741	–
Others	–	19	928
	<u>17,231</u>	<u>25,486</u>	<u>72,696</u>

The Group’s and the Company’s restricted cash carried interest rates ranging from 0.10% to 3.99%, 0.10% to 3.40% and 1.20% to 3.40% per annum as at December 31, 2023, 2024 and 2025 respectively.

(c) Cash and Bank Balances are Denominated in:

The Group

	As at December 31,		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
RMB	9,914,677	10,399,498	12,265,542
Euro (“EUR”)	828,732	716,116	498,915
USD	775,534	698,316	795,733
Others	574,886	369,620	486,934
	<u>12,093,829</u>	<u>12,183,550</u>	<u>14,047,124</u>

The Company

	As at December 31,		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
RMB	<u>1,522,872</u>	<u>777,652</u>	<u>897,858</u>

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The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current			
Short-term borrowings			
Bank borrowings			
– Secured	136,134	–	51,306
– Unsecured	1,386,711	550,481	–
Other borrowings			
– Unsecured	362,219	186,500	83,465
Long-term borrowings amounts due within one year			
Bank borrowings			
– Secured	336,953	1,243,295	1,425,086
	<u>2,222,017</u>	<u>1,980,276</u>	<u>1,559,857</u>
Non-current			
Long-term borrowings maturing beyond one year			
Bank borrowings			
– Unsecured	<u>2,155,100</u>	<u>700,000</u>	<u>–</u>
Variable-rate borrowings	3,181,917	1,942,952	600,492
Fixed-rate borrowings	<u>1,195,200</u>	<u>737,324</u>	<u>959,365</u>
	4,377,117	2,680,276	1,559,857
Variable-rate borrowings	2.50%~3.55%	2.70%~3.05%	2.31%~2.70%
Fixed-rate borrowings	<u>2.60%~3.50%</u>	<u>2.58%~2.58%</u>	<u>2.25%~2.5%</u>

- (a) As at December 31, 2023, secured bank borrowings mainly included: (i) borrowings with a principal amount of approximately RMB8,640,175,000 were guaranteed by the Company, its subsidiaries and its related parties, of which a principal amount of approximately RMB1,790,464,000 was pledged by trade receivables of RMB1,314,000 and equipment of RMB1,652,386,000; (ii) borrowings with a principal amount of approximately RMB392,640,000 were secured by land use right of RMB173,056,000; (iii) borrowings with a principal amount of approximately RMB116,109,000 were pledged by certain equity shares of subsidiaries, mainly including Zhaodong Taiguang New Energy Co., Ltd. and Guazhou Guangyuan Photovoltaic Power Generation Co., Ltd.

As at December 31, 2024, secured bank borrowings mainly included: (i) borrowings with a principal amount of approximately RMB10,677,886,000 were guaranteed by the Company, its subsidiaries and its related parties, of which a principal amount of approximately RMB3,246,248,000 pledged by trade receivables of RMB2,189,279,000 and equipment of RMB2,847,867,949; (ii) borrowings with a principal amount of approximately RMB394,222,000 secured by buildings and land use right of RMB143,676,472; (iii) borrowings with a principal amount of approximately RMB98,422,000 were pledged by certain equity shares of subsidiaries, mainly including Zhaodong Taiguang New Energy Co., Ltd and Guazhou Guangyuan Photovoltaic Power Generation Co., Ltd.; (iv) borrowings with a principal amount of approximately RMB10,004,000 were pledged by note receivables of RMB619,048,514 and restricted cash of RMB747,819,982.

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As at December 31, 2025, secured bank borrowings mainly included: (i) borrowings with a principal amount of approximately RMB11,703,711,000 were guaranteed by the Company, its subsidiaries and its related parties, of which a principal amount of approximately RMB1,681,756,000 were pledged by trade receivables of RMB2,075,233,428 and equipment of RMB8,522,808,198; (ii) borrowings with a principal amount of approximately RMB180,159,000 were secured by buildings and land use right of RMB161,046,024; (iii) borrowings with a principal amount of approximately RMB77,480,000 were pledged by certain equity shares of subsidiaries, mainly including Zhaodong Taiguang New Energy Co., Ltd and Guazhou Guangyuan Photovoltaic Power Generation Co., Ltd.; (iv) borrowings with a principal amount of approximately RMB176,834,000 were pledged by note receivables of RMB508,185,500 and restricted cash of RMB968,652,830.

- (b) As at December 31, 2023, 2024 and 2025, the Group’s borrowings were repayable as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	17,530,853	24,761,275	27,700,940
Between 1 and 2 years	11,932,907	7,477,327	13,002,767
Between 2 and 5 years	5,722,257	7,589,302	7,394,229
Over 5 years	4,385,202	7,977,568	10,317,795
	<u>39,571,219</u>	<u>47,805,472</u>	<u>58,415,731</u>

- (c) As at December 31, 2023, 2024 and 2025, the Company’s borrowings were repayable as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	2,222,017	1,980,276	1,559,857
Between 1 and 2 years	1,359,900	700,000	–
Between 2 and 5 years	795,200	–	–
	<u>4,377,117</u>	<u>2,680,276</u>	<u>1,559,857</u>

- (d) The Group has entered into certain supplier finance arrangements with banks. Under these arrangements, the banks pay suppliers the amounts owed by the Group in advance of the original due dates at a discount offered by the suppliers. The Group’s obligations to suppliers are legally extinguished on settlement by the relevant banks. The Group then settles with the banks between 180-360 days after settlement by the banks with interest ranges from 2.45-3.4% per annum. These arrangements have extended the payment terms, which may be extended beyond the original due dates of respective invoices. The interest rates are consistent with the Group’s short-term borrowing rates.

The Group’s borrowing arising from supplier financing arrangement is as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Supplier financing arrangements	2,189,698	7,232,299	9,503,000
	<u>2,189,698</u>	<u>7,232,299</u>	<u>9,503,000</u>

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31. TRADE AND NOTE PAYABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade and note payables			
– Trade payables ⁽ⁱ⁾	17,659,801	18,686,108	18,283,244
– due to related parties	2,155,351	1,480,679	1,346,922
– due to third parties	15,504,450	17,205,429	16,936,322
– Note payables ⁽ⁱⁱ⁾	1,591,846	1,399,290	1,305,898
– due to related parties	348,877	45,516	–
– due to third parties	1,242,969	1,353,774	1,305,898
– Letter of credit	84,514	50,717	9,565
	<u>19,336,161</u>	<u>20,136,115</u>	<u>19,598,707</u>

(i) As at December 31, 2023, 2024 and 2025, trade payables include payables for equipment amounting to RMB1,119,310,000, RMB353,406,000 and RMB211,899,000.

(ii) As at December 31, 2023, 2024 and 2025, note payables include bank acceptance bills amounting to RMB1,563,059,000, RMB1,188,184,000 and RMB961,778,000 and trade acceptance bills amounting to RMB28,787,000, RMB211,106,000 and RMB344,120,000.

Note payables of the Group are mainly repayable within six months.

An aging analysis of the trade payables based on the date of goods and services received as at the end of the reporting period was as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	16,811,830	17,527,600	16,947,896
1 to 2 years	412,588	705,859	611,172
2 to 3 years	249,935	172,418	363,980
Over 3 years	185,448	280,231	360,196
	<u>17,659,801</u>	<u>18,686,108</u>	<u>18,283,244</u>

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade and note payables			
– Trade payables	1,711,155	2,108,443	2,262,304
– due to related parties	1,059,144	1,412,174	1,547,570
– due to third parties	652,011	696,269	714,734

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An aging analysis of the trade payables based on the date of goods and services received as at the end of the reporting period was as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	1,702,501	2,097,069	2,243,794
1 to 2 years	1,697	4,860	10,162
2 to 3 years	4,266	174	2,369
Over 3 years	2,691	6,340	5,979
	<u>1,711,155</u>	<u>2,108,443</u>	<u>2,262,304</u>

32. ACCRUALS AND OTHER PAYABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current			
Salaries, wages and benefits	1,585,593	1,722,507	1,773,782
Deposits payables	2,672,695	2,682,209	2,532,097
Accruals and other payables	1,248,281	1,034,822	911,578
Consideration for share transfer	144,717	185,030	274,558
Other tax payables	227,898	364,026	583,424
Dividends payable	13,167	10,494	8,266
Sales rebate	331,018	853,992	971,354
Others	150,060	122,536	112,552
	<u>6,373,429</u>	<u>6,975,616</u>	<u>7,167,611</u>

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current			
Salaries, wages and benefits	642,685	689,953	745,055
Deposits payables	108,217	102,090	83,356
Accruals and other payables	94,458	180,562	176,106
Consideration for share transfer	4,185	548	32,155
Other tax payables	7,393	9,430	17,330
Due to subsidiaries	139,174	128,007	176,727
Sales rebate (<i>Note</i>)	335,646	874,088	924,541
Others	18,793	9,945	3,729
	<u>1,350,551</u>	<u>1,994,623</u>	<u>2,158,999</u>

Note: These sales rebate comprise sales allowances granted by the Company to its subsidiaries and third parties, and are treated as variable consideration under IFRS 15, offsetting revenue upon recognition.

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33. RECEIVED IN ADVANCE

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current			
Advance receipt from disposal of assets classified as held for sale	–	105,183	22,127
Rental	19,398	17,439	10,413
Advance receipt for equity investments transfer	1,000	3,000	11,235
	<u>20,398</u>	<u>125,622</u>	<u>43,775</u>
Non-current			
Advance receipt from disposal of assets classified as held for sale	<u>224,517</u>	<u>–</u>	<u>–</u>

34. PROVISIONS

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Non-current:			
Warranty	201,342	20,527	22,595
Refunded liability ⁽ⁱ⁾	103,399	217,255	644,080
Allowance for financial guarantee contracts ⁽ⁱⁱ⁾	18,115	51,200	44,814
Onerous contract	–	32,341	–
Others	<u>1,098</u>	<u>–</u>	<u>4,706</u>
	<u>323,954</u>	<u>321,323</u>	<u>716,195</u>
Current:			
Warranty	<u>–</u>	<u>179,109</u>	<u>197,764</u>

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Movements in warranty during the Relevant Periods are set out below:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Carrying amount at beginning of the year	214,574	201,342	199,636
Charged to profit or loss			
– additional provisions recognized	76,309	88,807	119,882
– unused amounts reversed	(10,939)	(8,070)	(13,607)
Amounts used during the year	(78,593)	(83,367)	(85,522)
Currency translation differences	(9)	924	(30)
Carrying amount at end of the year	201,342	199,636	220,359

- (i) Refunded liability primarily consists of the following matters:

In the course of conducting power station business with finance leasing companies, Chint Anneng entered into “repurchase” clauses. At each year end, Chint Anneng estimates the projected return rate for the power stations sold to finance leasing companies using the historical power generation and revenue performance of other power stations operated by Chint Anneng in the region where the relevant business was conducted that have completed a full evaluation cycle. The return period is based on the operation and maintenance period, which is typically 20 to 25 years.

Following the estimation of the return rate in the manner described above, Chint Anneng recognizes the provision by multiplying the sales amount by the estimated return rate.

- (ii) The aggregate amount of outstanding financial guarantees issued to banks in respect of banking facilities granted to related parties, an investee company measured as equity investment at FVTOCI or individual customers that the Group could be required to be paid amounted to RMB3,193,836,000, RMB2,413,719,000 and RMB2,342,795,000, if the guarantees were called upon in entirety. Details of the financial guarantees are set out in note 43 and note 46.

The management has performed impairment assessment, and concluded that there has been no significant increase in credit risk since initial recognition of the financial guarantee contracts. Details of the loss allowance for financial guarantee contracts are set out in note 45.

35. OTHER CURRENT LIABILITIES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
VAT to be recognized	232,099	158,453	109,029
Others	26,417	25,028	17,669
	258,516	183,481	126,698

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The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
VAT to be recognized	14,444	10,346	21,304
Others	11,652	9,401	11,643
	26,096	19,747	32,947

36. DEFERRED INCOME

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Government grants	330,117	269,915	213,283

The movements of deferred income during the Relevant Period are as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
At the beginning of the year	356,215	330,117	269,915
Additions	50,676	17,076	28,964
Recognized in profit or loss	(78,480)	(74,378)	(85,596)
Others	1,706	(2,900)	–
At end of the year	330,117	269,915	213,283

37. SHARE CAPITAL

The Group and The Company

	Year ended December 31,					
	2023		2024		2025	
	Share capital	Number of shares	Share capital	Number of shares	Share capital	Number of shares
	RMB'000	'000	RMB'000	'000	RMB'000	'000
Ordinary shares of RMB1 each registered						
Issued and fully paid						
At the beginning of the year	2,149,974	2,149,974	2,148,969	2,148,969	2,148,969	2,148,969
Cancellation of ordinary shares (<i>Note</i>)	(1,005)	(1,005)	–	–	–	–
At the end of the year	2,148,969	2,148,969	2,148,969	2,148,969	2,148,969	2,148,969

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Note: The Company cancelled 1,005,000 treasury shares in 2023. The difference of RMB25,623,000 between the nominal value of the cancelled shares and the proportionate carrying amount of the treasury shares has been charged against share premium, and correspondingly reduced its registered capital. The procedures for the capital reduction were completed on November 30, 2023.

38. TREASURY SHARES

The Group and the Company

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
At the beginning of the year	1,071,557	1,044,929	–
Cancellation of ordinary shares (<i>Note 37</i>)	(26,628)	–	–
Treasury shares transferred to the grantees ⁽ⁱ⁾	–	(1,044,929)	–
Repurchase of ordinary shares ⁽ⁱⁱ⁾	–	–	499,977
At the end of the year	1,044,929	–	499,977

- (i) The Company utilized the 21,304,500 repurchased treasury shares in full during 2024 to implement the employee shareholding plan. Accordingly, RMB1,044,929,000 was derecognized from treasury shares, and the difference of RMB748,796,000 between the consideration received from employees for subscribing to such shares and the cost of the treasury shares has been charged against share premium.
- (ii) The Company’s repurchase of 20,839,551 shares through centralized bidding transactions in 2025, resulting in a corresponding increase in treasury shares amounting to RMB499,977,000.

39. SHARE INCENTIVE SCHEME

(a) Equity-Settled shared-based payment arrangement of the Company

On March 14, 2024, the restricted share incentive plan (the “**2024 Restricted Share Incentive Plan**”) was approved at the 1st extraordinary shareholders’ meeting of the Company. According to the relevant plan, the granted shares are the A-share common stocks that the Company has repurchased. Under the 2024 restricted share incentive plan, the total amount to be granted to the incentive targets will not exceed 21,304,500 A shares. The vesting period of restricted shares is 12 months from the date the restricted shares have been transferred. Should an incentive target cease employment during the vesting period, the Company shall repurchase the restricted share interests held by such employees at the original issue price.

The fair value of the incentive shares at the grant date amounted to RMB159,784,000 as determined by the market price of the Company’s listed shares. For grants of shares that satisfy the specified vesting conditions, the difference between the fair value and the issue price of the vested shares is expensed on a straight-line basis over the periods in which services are expected to be rendered by the relevant employees. The Company recognized share – based payment expenses of RMB122,910,000 and RMB36,874,000 in 2024 and 2025 respectively, giving rise to an increase in other reserves.

Set out below are details of the share incentive plans adopted by the Company during the Relevant Period:

	Date of grant	Number of restricted shares granted	Exercise price	Fair value of restricted shares on date of grant	Vesting period
			(RMB)	(RMB)	
Batch 1	March 14, 2024	21,304,500	13.90	7.50	March 14, 2024 to April 19, 2025

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The following table discloses movements of the 2024 Restricted Share Intensive Plan during the Relevant Period:

	Year ended December 31,		
	2023	2024	2025
At the beginning of the year	–	–	21,304,500
Granted	–	21,304,500	–
Vested	–	–	(21,304,500)
At the end of the year	–	21,304,500	–

As at December 31, 2024, the remaining vesting period of the 2024 Restricted Share is 0.3 year.

(b) Equity-Settled shared-based payment arrangement of the subsidiaries

(i) Restricted Share Incentive Schemes of Chint Power

On August 2, 2023, the restricted share incentive plan (the “**2023 Restricted Share Incentive Plan**”) was approved at the 4th extraordinary shareholders’ meeting of Chint Power. Under the 2023 restricted share incentive plan, the total amount to be granted to the incentive targets will not exceed 6,900,000 shares. Chint Power will repurchase the shares granted to the incentive participants when they do not satisfy the vesting conditions. The total consideration paid by the incentive participants are recognised as liabilities and will be reversed by portion to other reserve when the shares vest each year.

The difference between the capital injection amount and the fair value of the acquired equity on date of grant was recorded as share-based payment expenses. The fair value had been arrived with reference to the market price of ordinary shares of the Company less the exercise price. The Company recognized share – based payment expenses of RMB3,895,000, RMB8,873,000 and RMB3,238,000 in 2023, 2024 and 2025 respectively.

Details of specific categories of shares are as follows:

	<u>Date of grant</u>	<u>Number of restricted shares granted</u>	<u>Exercise price</u>	<u>Fair value of restricted shares on date of grant</u>	<u>Vesting period</u>
			(RMB)	(RMB)	
Batch 1	September 22, 2023	5,510,000	9.65	4.35	September 22, 2023 to September 22, 2026
Batch 2	June 21, 2024	1,377,500	9.58	3.31	June 21, 2024 to June 21, 2026

Under the batch 1, the shares are vested based on the service conditions and performance conditions. The restricted shares shall be subject to different vesting service periods from the vesting commencement date and different performance appraisal: i) 40% of granted shares are vested upon 12 months from the vesting commencement date; ii) 30% of granted shares are vested upon 24 months from the vesting commencement date; and iii) 30% of granted shares are vested upon 36 months from the vesting commencement date, and restricted shares with different vesting service periods are each subject to distinct performance conditions.

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Under the batch 2, The restricted shares shall be subject to different vesting service periods from the vesting commencement date and different performance appraisal: i) 50% of granted shares are vested upon 12 months from the vesting commencement date; ii) 50% of granted shares are vested upon 24 months from the vesting commencement date, and restricted shares with different vesting service periods are each subject to distinct performance conditions.

The number of restricted shares under the 2023 Restricted Share Incentive Plan granted to the Group’s incentive participants is summarized as follows:

	Year ended December 31,		
	2023	2024	2025
	'000	'000	'000
At the beginning of the year	–	5,510	4,582
Granted	5,510	1,378	–
Exercised	–	(2,136)	–
Forfeited	–	(170)	(2,366)
At the end of the year	5,510	4,582	2,216

As at December 31, 2023, December 31, 2024 and December 31, 2025, the remaining service period of the award granted under this incentive plan are ranged from 9 to 33 months, 6 to 21 months and 6 to 9 months respectively.

(ii) Restricted Share Incentive Schemes of Chint Anneng

In December, 2020, the restricted share incentive plan (the “**2020 Restricted Share Incentive Plan**”) was approved at the shareholders’ meeting of Chint Anneng. Under the plan, the total amount to be granted to the incentive targets will not exceed 275,000,000 share units. All restricted share units granted to the incentive participants are held directly by five employee holding limited partnership, with the participants indirectly holding such units through their partnership interests in these entities. The grantees comprised employees of the of Chint Anneng and other entities of the Group.

For grantees who were not employees of Chint Anneng, the entire grant of 185,500,000 restricted share units became exercisable immediately upon grant. Accordingly, the share-based compensation expense was recognised in full in profit or loss at the grant date.

For grantees who were employees of Chint Anneng, the total grant consisted of 89,500,000 restricted share units, all of which were subject to an implicit initial public offering (“**IPO**”) condition. Of these, 75,800,000 units were additionally subject to a 24 month service condition commencing from the grant date.

Details of specific categories of shares are as follows:

	Date of grant	Number of restricted shares granted	Exercise price	Fair value of restricted shares on date of grant	Vesting period
			(RMB)	(RMB) ⁽ⁱ⁾	
Batch 1	December 25, 2020	185,500,000	1.00	1.78	N/A
Batch 2	December 25, 2020	13,700,000	1.00	1.78	IPO
Batch 2	December 25, 2020	75,800,000	1.00	1.78	IPO and 24-month service period

- (i) The fair value of the restricted shares granted in 2020 was RMB1.78 per unit of registered capital, which had been arrived with reference to the valuation.

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As of December 31, 2022, a total of 1,500,000 shares under the 2020 Restricted Share Incentive Plan batch 2 had been forfeited due to employee departures.

In September 2025, following Chint Anneng’s withdrawal of its IPO application, two employee holding limited partnerships amended the exit terms under the plan. Under the amended terms, participants are permitted to transfer their partnership interests prior to an IPO at fair value. This amendment was accounted for as a modification of the share-based payment arrangement. The incremental fair value resulting from the modification of the exit terms with respect to 6,800,000 restricted share units held by Chint Anneng employees was recognised immediately in the Group’s consolidated financial statements as an expense, with a corresponding increase in non-controlling interests.

The following table discloses movements of the 2020 Restricted Share Incentive Plan during the Relevant Period:

	Year ended December 31,		
	2023	2024	2025
	'000	'000	'000
At the beginning of the year	88,000	87,800	87,800
Forfeited	(200)	–	–
Exercised	–	–	(6,800)
At the end of the year	87,800	87,800	81,000

(iii) *Share Incentive Schemes of Shanghai Chint Power Systems Co., Ltd. (“Shanghai Chint Power System”)*

On November 14, 2022, two employee share incentive plans (the “**Share Incentive Scheme**”) were approved by the board meeting. Under the plan, 42,000,000 restricted share units of Shanghai Chint Power Systems Co., Ltd. were granted to the incentive targets.

All restricted share units granted to the incentive participants are held directly by two employees holding limited partnership, Shanghai Chuofeng Management Consulting Center (Limited Partnership) (“上海綽峰管理諮詢中心(有限合伙)”) (Shanghai Chuofeng) and Shanghai Zhizhe Management Consulting Center (Limited Partnership) (“上海摯者管理諮詢中心(有限合伙)”) (Shanghai Zhizhe), with the participants indirectly holding such units through their partnership interests in these entities.

Details of specific categories of equity interests are as follows:

	Date of grant	Number of restricted shares granted	Exercise price	Fair value of restricted shares on date of grant ⁽ⁱ⁾	Vesting period
			(RMB)	(RMB)	
Batch 1	November 14, 2022	10,000,000	0.97	1.80	August 18, 2021 to November 30, 2025
Batch 2	November 14, 2022	32,000,000	1.05	1.72	August 10, 2022 to November 30, 2025

- (i) The fair value of Shanghai Chint Power System had been arrived with reference to the valuation carried out on the grant dates by an independent qualified professional valuer not connected to the Group, using discounted cash flow method.

The restricted equity interests are vested based on performance conditions: i) 40% of granted restricted share units are vested if the net profit excluding R&D expenses for year 2022 reached at least RMB91.75 million; ii) 30% of granted restricted share units are vested if the net profit excluding R&D expenses for year 2023 reached at least RMB110.10 million; and iii) 30% of granted restricted share units are vested if the net profit excluding R&D expenses for year 2024 reached at least RMB132.12 million.

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In May 2023, the shares in Shanghai Chint Power System held by Chuofeng and Zhizhe under the Share Incentive Scheme were replaced by the shares of Chint Power. The original exercise prices, vesting conditions and remaining vesting service periods of such awards remained unchanged.

The following table discloses movements of the Share Incentive Scheme during the Relevant Period:

	Year ended December 31,		
	2023	2024	2025
	'000	'000	'000
At the beginning of the year	42,000	42,000	42,000
Vested	–	–	(42,000)
At the end of the year	42,000	42,000	–

As at December 31, 2023, December 31, 2024 and December 31, 2025, the average remaining service period of the award granted under this incentive plan are 2 years, 1 year and 0 year respectively.

- (c) For the year ended December 31, 2023, 2024 and 2025, the share-based payment expenses of RMB65,112,462, RMB166,610,410 and RMB98,345,571 were recognised in the consolidated statements of profit or loss.

40. RESERVES

The Company

	Share premium	Other comprehensive income	Surplus reserve	Other reserves	Share-based payments reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2023	12,650,555	(2,700)	1,075,704	501,761	–	9,762,113	23,987,433
Profit for the year	–	–	–	–	–	1,717,642	1,717,642
Other comprehensive income for the year	–	39,671	–	–	–	–	39,671
Total comprehensive income for the year	–	39,671	–	–	–	1,717,642	1,757,313
Cancellation of shares repurchased	(25,623)	–	–	–	–	–	(25,623)
Absorption of subsidiaries	–	–	–	(315,104)	–	–	(315,104)
Share of other changes in net assets of associates	–	–	–	9,992	–	–	9,992
Declaration of dividends	–	–	–	–	–	(851,066)	(851,066)
At December 31, 2023	12,624,932	36,971	1,075,704	196,649	–	10,628,689	24,562,945

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	Share premium	Other comprehensive income	Surplus reserve	Other reserves	Share-based payments reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2024	12,624,932	36,971	1,075,704	196,649	–	10,628,689	24,562,945
Profit for the year	–	–	–	–	–	1,416,556	1,416,556
Other comprehensive income for the year	–	457	–	–	–	–	457
Total comprehensive income for the year	–	457	–	–	–	1,416,556	1,417,013
Treasury shares transferred to the grantees	(748,796)	–	–	–	–	–	(748,796)
Share-based compensation expenses	–	–	–	–	122,910	–	122,910
Share of other changes in net assets of associates	–	–	–	1,875	–	–	1,875
Declaration of dividends	–	–	–	–	–	(1,181,933)	(1,181,933)
At December 31, 2024	<u>11,876,136</u>	<u>37,428</u>	<u>1,075,704</u>	<u>198,524</u>	<u>122,910</u>	<u>10,863,312</u>	<u>24,174,014</u>
	Share premium	Other comprehensive income	Surplus reserve	Other reserves	Share-based payments reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2025	11,876,136	37,428	1,075,704	198,524	122,910	10,863,312	24,174,014
Profit for the year	–	–	–	–	–	1,884,881	1,884,881
Other comprehensive income for the year	–	4,218	–	–	–	–	4,218
Total comprehensive income for the year	–	4,218	–	–	–	1,884,881	1,889,099
Share-based compensation expenses	–	–	–	–	36,874	–	36,874
Share of other changes in net assets of associates	–	–	–	804	–	–	804
Declaration of dividends	–	–	–	–	–	(1,286,448)	(1,286,448)
At December 31, 2025	<u>11,876,136</u>	<u>41,646</u>	<u>1,075,704</u>	<u>199,328</u>	<u>159,784</u>	<u>11,461,745</u>	<u>24,814,343</u>

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41. NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Reconciliation of profit before tax to net cash generated from operations:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Profit before income tax for the year	6,493,761	6,768,398	7,623,080
Adjustments for:			
Interest income	(237,540)	(309,842)	(285,345)
Finance costs	1,411,171	1,789,498	2,003,043
Depreciation and amortization of non-current assets	2,156,394	2,324,342	2,684,910
Net losses on disposal of property, plant and equipment and other non-current assets	61,560	44,858	126,076
Impairment losses (including reversals of impairment losses) on financial assets and other items	150,349	579,686	89,834
Impairment provision for inventories	158,545	250,756	90,743
Impairment losses on long-lived assets	87,812	230,443	129,102
Impairment provision for investments in associates and joint ventures	6,198	3,421	3,779
Fair value changes in financial instruments	138,493	(45,420)	(183,807)
Gains from disposal of associates and joint ventures and subsidiaries	(15,119)	(92,693)	(67,583)
Dividends from financial instruments	(139,557)	(79,278)	(93,705)
Gains from disposal of FVTPL	(281,153)	(155,341)	(160,195)
Share of results of associates and joint ventures, net	(425,923)	(335,012)	(242,433)
Net foreign exchange (gains)/losses	(72,986)	233,545	(27,717)
Share-based compensation expenses	65,112	166,610	98,346
Others	2,127	(1,664)	5,849
Change in working capital:			
Decrease/(increase) in receivables	767,568	(3,327,853)	1,980,356
Increase in payables	10,339,277	15,975,937	23,735,148
Increase in inventories	(15,531,423)	(6,731,772)	(12,507,862)
Cash generated from operations	<u>5,134,666</u>	<u>17,288,619</u>	<u>25,001,619</u>

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(b) Non-Cash Activities

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Additions of right-of-use assets by way of lease liabilities (<i>Note 21</i>)	595,326	4,898,127	7,250,776

(c) Net Debt Reconciliation

	Borrowings	Lease liabilities	Total
	RMB'000	RMB'000	RMB'000
At January 1, 2023	30,043,640	1,387,938	31,431,578
Financing cash flows	564,280	(215,018)	349,262
Interest paid	(803,213)	(62,851)	(866,064)
Interest accrued	1,334,762	62,851	1,397,613
Other non-cash movements-additions (<i>Note 1</i>)	8,431,750	595,326	9,027,076
Other non-cash movements-decrease	–	(261,036)	(261,036)
At December 31, 2023	39,571,219	1,507,210	41,078,429
At January 1, 2024	39,571,219	1,507,210	41,078,429
Financing cash flows	(8,671,582)	(284,164)	(8,955,746)
Interest paid	(960,708)	(143,112)	(1,103,820)
Interest accrued	1,629,632	143,112	1,772,744
Other non-cash movements-additions (<i>Note 1</i>)	16,236,911	4,898,127	21,135,038
Other non-cash movements-decrease	–	(256,572)	(256,572)
At December 31, 2024	47,805,472	5,864,601	53,670,073
At January 1, 2025	47,805,472	5,864,601	53,670,073
Financing cash flows	(11,997,969)	(386,016)	(12,383,985)
Interest paid	(967,754)	(334,494)	(1,302,248)
Interest accrued	1,649,918	334,494	1,984,412
Other non-cash movements-additions (<i>Note 1</i>)	21,926,064	7,250,776	29,176,840
Other non-cash movements-decrease (<i>Note 2</i>)	–	(2,223,436)	(2,223,436)
At December 31, 2025	58,415,731	10,505,925	68,921,656

Note 1: The non-cash increase in borrowings mainly arises where the finance leasing companies settles payments to the Group’s suppliers for goods or service fees on the Group’s behalf.

Note 2: Primarily attributable to the disposal by Chint Anneng of certain photovoltaic power stations, together with the related roof lease arrangement, to third-party investors.

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42. BUSINESS COMBINATION, TRANSACTION WITH THE NON-CONTROLLING INTERESTS AND DISPOSAL OF SUBSIDIARIES

(a) Business combination not under common control

Acquisitions during the year ended December 31, 2023

Chint Power

The Company entered into agreements with the former controlling shareholders of Chint Power (formerly known as Jiangsu Tongrun Equipment Technology Co., Ltd.) to acquire 24.99% of the equity interests of Chint Power for RMB850,000,000. Concurrently, Chint Power acquired 86.97% of the equity interests in Angtai Power System held by the Company for RMB730,828,000, and the remaining 13.03% held equity interests in by other parties for RMB109,477,000. The above transactions were completed in May 2023. Taking into account the Company’s shareholding in Chint Power, the acting-in-concert agreement entered into with other shareholders of Chint Power, and other relevant factors, upon completion of the transactions, the Company obtained control over Chint Power.

	Chint Power
	<i>RMB’000</i>
Net cash consideration ⁽ⁱ⁾	119,172
Add: Consideration of partial disposal of Angtai Power System (61.98% in Angtai Power System) ⁽ⁱⁱ⁾	520,836
Add: non-controlling interest	751,892
Less: net fair value of identifiable assets acquired and liabilities assumed	<u>(1,002,390)</u>
Goodwill	<u><u>389,510</u></u>

(i) The net cash consideration paid by the Company for these transactions amounted to RMB119,172,000, being the difference between the RMB850,000,000 paid for the acquisition of 24.99% equity interests in Chint Power and the RMB730,828,000 received from the disposal of 86.97% equity interests in Angtai Power System.

(ii) Being the consideration attributable to the partial disposal of equity interests in Angtai hold by the Group from 86.97% to 24.99%.

Assets acquired and liabilities recognised at the date of acquisition of Chint Power:

	<i>RMB’000</i>
Property, plant and equipment	522,176
Right of use assets	136,035
Intangible assets	47,713
Inventories	279,383
Trade and note receivables	223,975
Deferred tax assets	7,977
Cash and cash equivalents	576,953
Restricted bank deposits	4,799
Other assets	76,765
Borrowings	(51,113)
Trade and note payables	(205,975)
Accruals and other payable	(483,261)
Contract liabilities	(41,855)
Deferred tax liabilities	(85,424)
Other liabilities	(5,758)
Net assets	1,002,390

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The fair value of receivables acquired at the date of acquisition approximated to their gross contractual amounts.

The non-controlling interests in Chint Power recognised at the acquisition date was measured by reference to the proportionate share of recognized amounts of net assets of Chint Power and amounted to RMB751,892,000.

In the aforementioned acquisition of Chint Power, Angtai Power System was within the consolidation scope of the Group both before and after the transaction. Prior to the transaction, the Company directly held 86.97% of its equity interests. After the transaction, the Company indirectly holds 24.99% equity interests in Angtai Power System through Chint Power. This change in ownership percentage resulted in a partial disposal of the subsidiary’s equity interests without loss of control over the subsidiary, i.e., the consideration attributable to the 61.98% interest in Angtai Power System amounted to RMB520,836,000, which is accounted for as an equity transaction with non-controlling interests. Consequently, in the Group’s consolidated financial statements, an increase in other reserves of RMB230,077,000 and an increase in non-controlling interests of RMB290,759,000 were recognized in respect of this transaction.

In addition to the transaction described above, during the year ended December 31, 2023, the Group completed other business combinations that were not individually significant. Collectively, these transactions resulted in an increase of RMB24,067,000 in non-controlling interests.

Ordos Zhetai Solar Power Generation Co., Ltd. (“Ordas Zhetai”)

In July 2023, the Group acquired 100% equity interests of Ordas Zhetai with consideration of RMB 33,000,000.

	Ordas Zhetai
	<i>RMB’000</i>
Cash consideration	33,000
Less: net fair value of identifiable assets acquired and liabilities assumed	33,000
	<hr/>
Goodwill	–
	<hr/> <hr/>

Assets acquired and liabilities recognised at the date of acquisition:

	<i>RMB’000</i>
Property, plant and equipment	409,966
Cash and cash equivalents	123
Trade and note receivables	38,460
Prepayments and other receivables	10,802
Trade and other payables	(426,351)
Net assets	33,000

Except for the aforementioned business combination, other acquisition of subsidiaries made no significant impact on the Group’s Historical Financial Information. Such acquisitions resulted in increases in property, plant and equipment, intangible assets, right-of-use assets and non-controlling interests of RMB 250,279,000, RMB3,207,000, RMB3,875,000 and nil, respectively.

Acquisitions during the year ended December 31, 2024

Acquisitions of subsidiaries completed by the Group during 2024 did not have material impacts on the Group’s Historical Financial Information. Such acquisitions resulted in increases in property, plant and equipment, intangible assets and right-of-use assets of and non-controlling interests of RMB17,974,000, RMB220,000, nil and nil, respectively.

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Acquisitions during the year ended December 31, 2025

In December 2025 and June 2025, the Group completed the acquisition of 100% equity interests in Hangzhou Shuyuan Electric Power Technology Co., Ltd. (“**Shuyuan**”) and Hefei Chint Photovoltaic Power Generation Co., Ltd. (“**Hefei Chint**”) with consideration paid of RMB22,126,000 and RMB66,459,000 respectively.

	<u>Shuyuan</u>	<u>Hefei Chint</u>
	<i>RMB’000</i>	<i>RMB’000</i>
Consideration	22,126	66,459
Less: net fair value of identifiable assets acquired and liabilities assumed	22,126	66,459
Goodwill	–	–

Assets acquired and liabilities recognised at the date of acquisition

	<u>Shuyuan</u>	<u>Hefei Chint</u>
	<i>RMB’000</i>	<i>RMB’000</i>
Property, plant and equipment	225,704	246,664
Right-of-use assets	16,761	14,090
Trade and note receivables	59,014	168,090
Prepayments, other receivables and other assets	169,322	11,471
Cash and cash equivalent	17,655	12,078
Other assets	49,977	9,284
Trade and other payables	(308,630)	(223,370)
Lease liabilities	(19,233)	(15,348)
Other liabilities	(188,444)	(156,500)
Net assets	22,126	66,459

Except for the aforementioned business combination, other acquisition of subsidiaries made no significant impact on the Group’s Historical Financial Information. Such acquisitions resulted in increases in property, plant and equipment, intangible assets and right-of-use asset and non-controlling interests of RMB501,676,000, RMB39,000 and RMB39,083,000 and nil, respectively.

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(b) Transaction with the non-controlling interests

The Group acquired/disposed certain equity interests of certain subsidiaries from/to non-controlling shareholders, and the difference between consideration paid/received and the carrying amount of equity interest acquired/disposed was recognized as an increase/decrease in reserves. Major transactions with the non-controlling interests during the Relevant Period were as follows:

Transactions during the year ended December 31, 2023

In May 2023, the Group acquired additional 1.59% equity interests of Chint Anneng from non-controlling interests at a consideration RMB504,000,000. The Group recognized a decrease in other reserves of RMB341,216,000 and a decrease in non-controlling interests of RMB162,784,000.

During the year ended December 31, 2023, capital reductions by non-controlling shareholders in the subsidiaries Guangdong Chint Electric Co., Ltd., Jiangxi Xinchint Electric Sales Co., Ltd., Hunan Xiang Chint Electric Sales Co., Ltd., Shanghai Taiyan Electrical Appliances Co., Ltd., Chint Electric Appliances Sales (Shandong) Co., Ltd., Chint Electric Appliances Trading (Liaoning) Co., Ltd., and Ju Chint Electric Appliances Trading (Chongqing) Co., Ltd. resulted in decreases in non-controlling interests of RMB41,549,000, RMB9,800,000, RMB9,800,000, RMB9,800,000, RMB9,800,000, and RMB9,800,000 respectively.

Except for the aforementioned non-controlling interests transactions, the Directors are of the view that other transactions with non-controlling interests during the year ended December 31, 2023 did not have any significant impact on the Group’s Financial Information. Such transactions in aggregate resulted in a decrease in other reserves of RMB28,106,000 and a decrease in non-controlling interests of RMB21,170,000 of the Group.

Transactions during the year ended December 31, 2024

During the year ended December 31, 2024, capital reductions by non-controlling shareholders in the subsidiaries Chint Electric Sales (Zhejiang) Co., Ltd., Chint Electric Sales (Wuxi) Co., Ltd., Guangxi United Chint Electric Sales Co., Ltd., Sichuan Xinchint Electric Sales Co., Ltd. and Chint Electric Sales (Shanxi) Co., Ltd. resulted in decreases in non-controlling interests of RMB9,800,000, RMB14,700,000, RMB4,900,000, RMB29,400,000 and RMB9,800,000 respectively.

During the year ended December 31, 2024, Angtai Power failed to achieve its performance commitment. As the former shareholder of Angtai Power, the Company was required to pay performance-based compensation to Chint Power. Accordingly, other reserves decreased by RMB25,338,000 and non-controlling interests increased by RMB25,338,000.

Except for the aforementioned non-controlling interests transactions, the Directors are of the view that other transactions with non-controlling interests during the year ended December 31, 2024 did not have any significant impact on the Group’s Historical Financial Information. Such transactions in aggregate resulted in an increase in other reserves of RMB6,282,000 and an decrease in non-controlling interests of RMB31,335,000 of the Group.

Transactions during the year ended December 31, 2025

In December 2025, the Group acquired additional 3.28% equity interests of Zhejiang Chint Building Electrics Co., Ltd. from non-controlling interests at a consideration RMB39,919,000. The Group recognized an increase in other reserves of RMB1,067,000 and a decrease in non-controlling interests of RMB40,986,000.

In September 2025, the Group acquired additional 3.95% equity interests of Chint Anneng from non-controlling interests at a consideration RMB1,249,516,000. The Group recognized a decrease in other reserves of RMB546,444,000 and a decrease in non-controlling interests of RMB703,072,000.

In March 2025, the Group deregistered Yueqing Letai Internet of Things Incubator Co., Ltd. and settled the interests of non-controlling shareholders based on the net assets of the subsidiary, resulting in a decrease in non-controlling interests of RMB150,000,000.

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Except for the aforementioned non-controlling interests transactions, the Directors are of the view that other transactions with non-controlling interests during the year ended December 31, 2025 did not have any significant impact on the Group’s Historical Financial Information. Such transactions in aggregate resulted in a decrease in other reserves of RMB6,936,000 and a decrease in non-controlling interests of RMB39,600,000 of the Group.

(c) Disposal of subsidiaries

The Group disposed of certain subsidiaries to third parties. The major disposals during the Relevant Period were as follows:

Disposed subsidiaries during the year ended 31 December 2023

In 2023, the Group disposed of its 70% equity interests in Zhejiang Hangtai Digital Energy Development Co., Ltd. (“**Hangtai Energy**”), Yongchang County Hangtai New Energy Development Co., Ltd. (“**Yongchang Energy**”) and Hangzhou Miantai New Energy Development Co., Ltd. (“**Miantai Energy**”) to a third-party investor for total consideration of RMB809,646,600, RMB68,100,000, RMB230,755,000. After the disposals, the Group retained a 30% equity interest in Hangtai Energy, Yongchang Energy and Miantai Energy, which were reclassified as investments in associates.

	Hangtai Energy	Yongchang Energy	Mantai Energy	Total
Property, plant and equipment	2,396,127	422,870	871,543	3,690,540
Right-of-use assets	196,737	6,140	11,829	214,706
Other non-current assets	47,445	89,807	106,751	244,003
Trade and note receivables	847,086	2,903	7,229	857,218
Prepayments, other receivables and other assets	978,132	7	935	979,074
Cash and cash equivalents	47,833	42	603	48,478
Trade and note payables	(853,531)	(86,433)	(78,741)	(1,018,705)
Accruals and other payables	(1,320,745)	(349,399)	(95,503)	(1,765,647)
Borrowings	(968,094)	–	(557,817)	(1,525,911)
Lease liabilities	(194,384)	(5,975)	(9,491)	(209,850)
Other liabilities	(1,660)	(7)	–	(1,667)
Net assets	1,174,946	79,955	257,338	1,512,239
Consideration	809,647	68,100	230,755	1,108,502
Fair value of interest retained in an associate	346,991	29,186	98,895	475,072
Net assets disposed	(1,174,946)	(79,955)	(257,338)	(1,512,239)
(Loss)/Gain on disposal	(18,308)	17,331	72,312	71,335

Except for the disposals disclosed above, the Group disposed of several other subsidiaries during the year. These disposals were individually and collectively immaterial and are therefore not disclosed separately. The deconsolidation of these subsidiaries resulted in decreases in property, plant and equipment, intangible assets and right-of-use assets of RMB226,449,000, RMB188,000 and RMB9,553,000, respectively.

Disposed subsidiaries during the year ended 31 December 2024

In October 2024, the Company disposed of an 82% equity interest in Wenzhou Yantai New Energy Development Co., Ltd. (Yantai), which holds 100% equity interest in Wenzhou Hengtai New Energy Development Co., Ltd. As at the disposal date, the major assets of the disposed subsidiary included construction in progress of RMB845,633,000 and right-of-use assets of RMB331,559,000. The net assets of the disposed subsidiary attributable to the Group amounted to RMB165,921,000. The consideration received in respect of the disposal of the 82% equity interest was RMB135,571,000, and the retained 18% equity interest, with a fair value of RMB29,759,000, was re-measured and classified as investments in other equity instruments, and a loss on disposal of RMB591,000 was recognised.

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Except for the disposals disclosed above, the Group disposed of several other subsidiaries during the year. These disposals were individually and collectively immaterial and are therefore not disclosed separately. The deconsolidation of these subsidiaries decreases in property, plant and equipment and right-of-use assets of RMB51,459,000 and RMB1,360,000, respectively.

Disposed subsidiaries during the year ended 31 December 2025

In October 2025, the Group disposed of its 100% equity interests in Taizhou Xiangtai New Energy Co., Ltd. (“**TaiZhou Xiangtai**”) to a third-party investor for total consideration of RMB96,000,000. The transaction resulted in a gain on disposal of RMB70,629,000.

	TaiZhou Xiangtai
Prepayments, other receivables and other assets	2,080
Property, plant and equipment	360,154
Right-of-use assets	45,135
Other non-current assets	41,401
Trade and note receivables	14,923
Cash and cash equivalents	15,183
Trade and note payables	(77,290)
Borrowings	(328,618)
Lease liabilities	(47,596)
Other liabilities	(1)
Net assets	25,371
Consideration	96,000
Net assets disposed of	(25,371)
Gain on disposal	70,629

Except for the disposals disclosed above, the Group disposed of several other subsidiaries during the year. These disposals were individually and collectively immaterial and are therefore not disclosed separately. The deconsolidation of these subsidiaries decreases in property, plant and equipment, intangible assets and right-of-use assets of RMB82,000,000, RMB24,000 and RMB2,270,000, respectively.

43. CONTINGENCIES AND COMMITMENTS

43.1 Contingencies

- (i) For certain individual customers who meet the installation requirements for residential photovoltaic power stations, they purchase the assets of such photovoltaic power stations through bank loans. Chint Anneng provides these individuals with joint and several liability guarantees. In Chint Anneng’s guarantee agreements with customers for photovoltaic power station loans, the dealers providing construction services also provide counter-guarantees, and the guarantee period is generally 10 to 15 years, with a maximum of 18 years. All power station proceeds are directly channeled through a closed-loop collection mechanism to the financing bank for priority loan repayment. As of December 31, 2023, 2024 and 2025, the outstanding guarantee balance amounted to RMB1,511,241,000, RMB1,456,649,000 and RMB1,305,215,000, respectively.
- (ii) In the year ended December 31, 2024, certain subsidiaries of Zhejiang Fulaitai New Energy Co., Ltd. paid part of the purchase price for the acquisition of residential rooftop photovoltaic power station assets from Chint Anneng by way of bank loans. Chint Anneng provided a joint and several guarantee covering 18% of those bank loans, and the guarantee period is generally 9 to 15 years. As of December 31, 2024 and 2025, the outstanding guaranteed amounts were RMB89,609,000 and RMB380,873,000, respectively.

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- (iii) In the years ended December 31, 2022 and 2023, Chint Anneng cooperated with Citic Financial Leasing Co., Ltd. to carry out residential distributed photovoltaic power generation development business. Under this cooperation, Chint Anneng sold residential photovoltaic power stations to Citic Financial Leasing Co., Ltd., which then leased the aforementioned residential photovoltaic power stations to end-users. The end-users primarily used electricity income and subsidy income (if any) as the main sources of repayment to pay rent to Citic Financial Leasing Co., Ltd. To safeguard the realization of the relevant rights and interests of Citic Financial Leasing Co., Ltd. and the end-users, Chint Anneng entered into an agreement with Citic Financial Leasing Co., Ltd., pursuant to which Chint Anneng and its subsidiary, Zhejiang Chaotai Technology Co., Ltd., agreed to provide shortfall coverage to Citic Financial Leasing Co., Ltd. for a period of up to 25 years for any portion of the actual electricity income from the residential photovoltaic power stations that fails to cover the rental income due to Citic Financial Leasing Co., Ltd., the end-users’ income, and the guaranteed electricity income shortfall, if any, where the actual electricity income does not meet the committed guaranteed level.
- (iv) During the year ended December 31, 2023, Chint Anneng cooperated with Industrial Bank Financial Leasing Co., Ltd. in the development of residential photovoltaic businesses. Under this cooperation, Chint Anneng sold residential photovoltaic power stations to Industrial Bank Financial Leasing Co., Ltd., which then leased the aforesaid residential photovoltaic power stations to end-users. The end-users’ main source of repayment to Industrial Bank Financial Leasing Co., Ltd. consisted of electricity income and subsidy income (if any). To safeguard the realisation of the relevant rights and interests of Industrial Bank Financial Leasing Co., Ltd., Chint Anneng entered into an agreement with Industrial Bank Financial Leasing Co., Ltd., pursuant to which Chint Anneng agreed to provide a shortfall coverage obligation to Industrial Bank Financial Leasing Co., Ltd. for a period of up to 25 years for any portion of the actual electricity income from the residential photovoltaic power stations that falls short of the rental income due to Industrial Bank Financial Leasing Co., Ltd.

43.2 Capital commitments

The following shows the major capital commitments of the Group:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Property, plant and equipment commitments:			
– Contracted, but not provided for	974,562	1,226,933	1,366,933
Investment			
– Contracted, but not provided for	19,600	19,600	19,600
	<u>994,162</u>	<u>1,246,533</u>	<u>1,386,533</u>

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44. FINANCIAL INSTRUMENTS BY CATEGORY

The detailed information of financial instruments by category during the Relevant Period is as below:

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Financial assets			
Financial assets measured at fair value:			
Note receivables at FVTOCI (Note 17)	130,493	112,871	148,161
Equity investments at FVTOCI (Note 17)	1,722,996	2,193,438	2,834,325
Derivative financial instruments (Note 18)	11,389	6,693	126,223
Equity investments at FVTPL (Note 18)	2,762,362	4,303,365	6,434,115
Performance compensation (Note 18)	–	5,857	–
	<u>4,627,240</u>	<u>6,622,224</u>	<u>9,542,824</u>
Financial assets measured at amortized cost:			
Trade and note receivables (Note 26)	16,309,723	17,047,091	14,835,843
Restricted bank cash (Note 29)	769,243	747,820	968,653
Cash and cash equivalents (Note 29)	11,324,586	11,435,730	13,078,471
Other receivables (Note 27)	3,625,156	4,412,370	1,851,347
	<u>32,028,708</u>	<u>33,643,011</u>	<u>30,734,314</u>
	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Financial liabilities			
Financial liabilities measured at fair value:			
Derivative financial instruments	6,603	1,934	1,201
Financial liabilities measured at amortized cost:			
Trade and note payables (Note 31)	19,336,161	20,136,115	19,598,707
Accruals and other payables (excluding non-financial liabilities) (Note 32)	4,559,938	4,889,083	4,810,405
Lease liabilities (Note 21)	1,507,210	5,864,601	10,505,925
Borrowings (Note 30)	39,571,219	47,805,472	58,415,731
Other current liabilities (Note 35)	26,417	25,028	17,669
	<u>65,007,548</u>	<u>78,722,233</u>	<u>93,349,638</u>

As at December 31,

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45.1 Market risk

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the respective functional currency of the Company and its subsidiaries. The Group manages its foreign exchange risk by performing regular reviews of the Group’s net foreign exchange exposures and tries to minimize these exposures through buying and selling foreign currencies at market rate, wherever possible.

As at December 31, 2023, 2024 and 2025, the Group’s major financial assets/liabilities exposed to foreign exchange risk, representing those financial assets/liabilities denominated in USD and EUR included in a group entity with different functional currency:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Financial assets denominated in:			
USD	3,355,383	3,505,783	4,200,850
EUR	3,970,277	3,507,925	3,935,863
	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Financial liabilities denominated in:			
USD	1,400,792	1,000,356	2,007,217
EUR	1,893,292	1,794,644	3,786,052

As shown in the table above, the Group is primarily exposed to changes in USD and EUR exchange rates. The sensitivity of profit or loss before income tax to changes in the exchange rates arises from USD and EUR denominated financial instruments is as below:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
USD exchange rate –			
Increase 5%	97,730	125,271	109,682
Decrease 5%	(97,730)	(125,271)	(109,682)
EUR exchange rate –			
Increase 5%	103,849	85,664	7,491
Decrease 5%	(103,849)	(85,664)	(7,491)

(ii) Interest rate risk

The Group’s interest rate risk primarily arises from interest-bearing borrowings. Borrowings issued at floating rates expose the Group to cash flow interest rate risk and borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group determines the proportion of borrowings issued at floating rates and fixed rates based on the market environment and maintains an appropriate combination of financial instruments through regular review and monitoring.

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As at December 31, 2023, 2024 and 2025, total borrowings of the Group which were bearing at floating rates amounted to approximately RMB15,031,111,000, RMB15,222,954,000 and RMB20,220,505,000 respectively.

If interest rate had been 50 basis points higher or lower with all other variables held constant, the profit before tax would decrease/increase by approximately RMB75,156,000, RMB76,115,000 and RMB101,103,000 for the years ended December 31, 2023, 2024 and 2025, respectively.

Considering the repricing or maturity date, the fair value interest rate risk arises from borrowings and bank balances carried at fixed rates is not significant for the Group.

(iii) *Price risk*

The Group is mainly exposed to equity price risk arising from investments held by the Group that are classified either as FVTPL (Note 18) or FVTOCI (Note 17). To manage its price risk arising from the investments, the Group diversifies its investment portfolio. The investments are mainly made for strategic purposes. Each investment is managed by the management on a case-by-case basis.

Sensitivity analysis is performed by the management to assess the exposure of the Group’s financial results to equity price risk of FVTPL and FVTOCI at the end of each Relevant Period. If prices of the respective instruments held by the Group had been 5%, 5% and 5% higher/lower as at December 31, 2023, 2024 and 2025, for the years ended December 31, 2023, 2024 and 2025, (i) profit before tax of the Group would have been approximately RMB138,118,000, RMB215,168,000 and RMB321,706,000, higher/lower as a result of gains/losses on financial instruments classified as at FVTPL; (ii) other comprehensive income before tax of the Group would have been higher/lower by approximately RMB86,150,000, RMB109,672,000 and RMB141,716,000, as a result of gains/losses on financial instruments classified as at FVTOCI.

45.2 *Credit risk*

Credit risk arises from cash and cash equivalents, restricted cash and term deposits, as well as trade and note receivables, other receivables, loan receivables, financial guarantee contracts and contract assets. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, financial guarantee contracts and contract assets.

(i) *Risk management*

To manage this risk, cash and cash equivalents as well as restricted cash and term deposits are mainly placed with reputable financial institutions which are all high-credit-rating financial institutions.

To manage risk from trade and note receivables as well as other receivables, the Group has policies in place to ensure that credit terms are made to counterparties with an appropriate credit history and the management performs ongoing credit evaluations of the counterparties. It also has continuous monitoring procedures to ensure the collection of the receivables as scheduled and follow up action is taken to recover overdue debts, if any.

(ii) *Impairment of financial assets*

The Group has five types of financial assets that are subject to the ECL model:

- Cash and cash equivalents, restricted cash and term deposits;
- Trade receivables;
- Note receivables at amortized cost and at FVTOCI;
- Other receivables;
- Loan receivables;
- Financial guarantee contracts; and
- Contract assets.

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Credit risk of cash and cash equivalents and restricted cash and term deposits

Cash and cash equivalents and restricted cash are mainly placed with high-credit-rating financial institutions. There has been no recent history of default in relation to these financial institutions. The ECL was immaterial as at December 31, 2023, 2024 and 2025.

Credit risk of trade and note receivables and contract assets

(i) Trade receivables

The Group applies the IFRS 9 simplified approach to measure ECL which uses a lifetime expected loss allowance for all trade receivables.

The Group has concentration of credit risk as 16.82%, 20.42% and 20.13% of the total trade receivables was due from the Group’s largest customer as at December 31, 2023, 2024 and 2025, respectively. The Group has concentration of credit risk as 39.25%, 35.56% and 30.79% of the total trade receivables was due from the Group’s five largest customers as at December 31, 2023, 2024 and 2025, respectively.

Trade receivables relating to debtors with known financial difficulties or significant doubt on collection are assessed individually for impairment. The management reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment loss allowance is made for irrecoverable amounts on trade receivables. The remaining trade receivables are grouped and collectively assessed for impairment. The provision rates are based on aging analysis for grouping of debtors that have similar loss patterns taking into consideration the historical default rates, debtors’ portfolios, economic environments, industry conditions and forward-looking information as at the end of each reporting period that is reasonable and supportable available without undue costs or effort.

The historical loss rates are calculated based on the historical payment profiles of customers and the corresponding historical incurred credit losses. The historical loss rates are adjusted to reflect the forward-looking information on macroeconomic factors as well as the credit rating analysis of respective customers and other external data which have impacts to the ability of the customers to settle the receivables. The Group has identified the GDP of the countries in which it sells its goods to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to engage in a repayment plan with the Group and other indicators of severe financial difficulties.

On that basis, the loss allowance as at December 31, 2023, 2024 and 2025 were determined as follows for trade receivables:

As at December 31, 2023, the loss allowance of individually impaired trade receivables is determined as follows:

Assess individually:

	Gross carrying amount	ECL rate	Loss allowance	Reason
	<i>RMB’000</i>		<i>RMB’000</i>	
Trade receivables	256,474	98%	250,162	Financial difficulty

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As at December 31, 2024, the loss allowance of individually impaired trade receivables is determined as follows:

Assess individually:

	Gross carrying amount	ECL rate	Loss allowance	Reason
	<i>RMB'000</i>		<i>RMB'000</i>	
Trade receivables	190,940	96%	183,808	Financial difficulty

As at December 31, 2025, the loss allowance of individually impaired trade receivables is determined as follows:

Assess individually:

	Gross carrying amount	ECL rate	Loss allowance	Reason
	<i>RMB'000</i>		<i>RMB'000</i>	
Trade receivables	120,054	95%	113,758	Financial difficulty

As at December 31, 2023, 2024 and 2025, the loss allowance of grouped impaired trade receivables are determined as follows:

Assessed based on grouping:

Current

	As at December 31, 2023			As at December 31, 2024			As at December 31, 2025		
	Expected loss rate	Gross carrying amount	Loss allowance	Expected loss rate	Gross carrying amount	Loss allowance	Expected loss rate	Gross carrying amount	Loss allowance
	%	<i>RMB'000</i>	<i>RMB'000</i>	%	<i>RMB'000</i>	<i>RMB'000</i>	%	<i>RMB'000</i>	<i>RMB'000</i>
Intelligent electrical products									
– High risk region customers components grouping	13.48	919,096	123,895	16.98	1,035,740	175,877	17.81	1,256,779	223,847
– Others customers components grouping									
Green energy solutions	9.01	6,887,844	620,400	9.17	6,248,537	572,780	10.76	5,078,208	546,611
– State Grid Corporation of China and Residential components grouping	0.29	3,641,411	10,453	0.32	4,289,861	13,658	0.31	4,338,383	13,426
– Others customers components grouping	10.39	3,992,159	414,769	13.27	4,190,648	556,028	15.71	2,607,551	409,776
Metal Products	3.61	134,870	4,863	3.89	224,538	8,724	3.68	206,786	7,611
Total		15,575,380	1,174,380		15,989,324	1,327,067		13,487,707	1,201,271

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Non-current

	As at December 31, 2023			As at December 31, 2024			As at December 31, 2025		
	Expected loss rate	Gross carrying amount	Loss allowance	Expected loss rate	Gross carrying amount	Loss allowance	Expected loss rate	Gross carrying amount	Loss allowance
	%	RMB'000	RMB'000	%	RMB'000	RMB'000	%	RMB'000	RMB'000
Intelligent electrical products									
– Others customers									
components grouping	5.04	<u>3,530</u>	<u>178</u>	2.37	<u>4,771</u>	<u>113</u>	3.73	<u>14,376</u>	<u>536</u>

The loss allowances for trade receivables for the years ended December 31, 2023, 2024 and 2025 reconcile to the opening loss allowances are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Opening loss allowance	1,417,997	1,424,720	1,510,988
Loss allowance recognized/(reversed), net	46,164	212,032	(79,108)
Loss allowance written off	(34,810)	(125,760)	(116,283)
Currency translation differences	(472)	(1)	(3)
Impact of changes in the scope of consolidation	<u>(4,159)</u>	<u>(3)</u>	<u>(29)</u>
Closing loss allowance	<u>1,424,720</u>	<u>1,510,988</u>	<u>1,315,565</u>

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(ii) Contract assets

For contract assets, the Group measures the loss provision based on the lifetime ECL regardless of whether there exists a significant financing component. Set out below is the information about credit risk exposure on the Group’s contract assets:

As at December 31, 2023, the loss allowance of individually impaired contract assets is determined as follows:

Assess individually:

	Gross carrying amount	ECL rate	Loss allowance	Reason
	<i>RMB’000</i>		<i>RMB’000</i>	
Contract assets	<u>2,597</u>	<u>100%</u>	<u>2,597</u>	Financial difficulty

As at December 31, 2024, the loss allowance of individually impaired contract assets is determined as follows:

Assess individually:

	Gross carrying amount	ECL rate	Loss allowance	Reason
	<i>RMB’000</i>		<i>RMB’000</i>	
Contract assets	<u>2,597</u>	<u>100%</u>	<u>2,597</u>	Financial difficulty

As at December 31, 2025, the loss allowance of individually impaired contract assets is determined as follows:

Assess individually:

	Gross carrying amount	ECL rate	Loss allowance	Reason
	<i>RMB’000</i>		<i>RMB’000</i>	
Contract assets	<u>11,290</u>	<u>99%</u>	<u>11,183</u>	Financial difficulty

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Assessed based on grouping:

	As at December 31, 2023			As at December 31, 2024			As at December 31, 2025		
	Expected loss rate	Gross carrying amount	Loss allowance	Expected loss rate	Gross carrying amount	Loss allowance	Expected loss rate	Gross carrying amount	Loss allowance
	%	RMB'000	RMB'000	%	RMB'000	RMB'000	%	RMB'000	RMB'000
Intelligent electrical products									
– Others customers									
components grouping	19.93	78,142	15,570	26.84	118,720	31,862	12.37	161,218	19,948
Green energy solutions									
– Others customers									
components grouping	7.75	387,078	29,994	8.88	998,317	88,612	16.29	1,076,986	175,388
Total		465,220	45,564		1,117,037	120,474		1,238,204	195,336

The loss allowances for contract assets for the years ended December 31, 2023, 2024 and 2025 reconcile to the opening loss allowances are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Opening loss allowance	48,762	48,161	123,071
Loss allowance (reversed)/recognized, net	(601)	76,739	83,435
Loss allowance written off	–	(1,827)	–
Currency translation differences	–	(2)	13
Closing loss allowance	48,161	123,071	206,519

(iii) Note receivables at amortized cost and note receivables at FVTOCI

The Group measured provisions for impairment of notes receivables based on the lifetime ECL and assessed that there was no significant credit risk associated with its bank acceptance notes as the Group did not expect that there would be any significant losses from non-performance by these reputable banks.

(iv) Other receivables

Other receivables at the end of each of the periods are mainly comprised of deposits, due from related and third parties, receivables from equity investments disposal and dividend receivables. The Group considers the probability of default upon initial recognition of the assets and whether there has been significant increase in credit risk on an ongoing basis throughout Relevant Period. To assess whether there is a significant increase in credit risk, the Group compares risk of a default occurring on the assets as of the reporting date with the risk of default as of the date of initial recognition. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant impact on the debtor’s ability to meet its obligations;
- external credit rating of the counterparty;

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- actual or expected significant adverse changes in the operating results of the debtor; and
- significant changes in the expected performance and behavior of the debtor, including changes in the payment status of debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 365 days past due in making a contractual payment.

If the credit risk of the asset is in line with original expectations, the Group recognizes the asset at 12-month ECLs (Stage 1). If a significant credit risk of the asset has occurred compared to original expectations or the credit is impaired, the asset is recognized at lifetime ECLs (Stages 2 and 3).

Set out below is the information about credit risk exposure on the Group’s other receivables:

	Stage 1	Stage 2	Stage 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
December 31, 2023				
Expected loss rate	1.03%	15.00%	66.86%	
Gross carrying amount	2,763,219	263,913	559,540	3,586,672
Loss allowance	28,577	39,586	374,122	442,285
December 31, 2024				
Expected loss rate	0.33%	15.00%	83.74%	
Gross carrying amount	3,710,405	260,047	772,064	4,742,516
Loss allowance	12,416	39,007	646,534	697,957
December 31, 2025				
Expected loss rate	0.69%	15.00%	92.03%	
Gross carrying amount	1,592,170	126,432	825,368	2,543,970
Loss allowance	11,010	18,965	759,550	789,525

The loss allowances for other receivables for the years ended December 31, 2023, 2024 and 2025 reconcile to the opening loss allowances are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Opening loss allowance	353,309	442,285	697,957
Loss allowance recognized, net	100,298	257,243	91,266
Loss allowance written off	(3,888)	(1,165)	(440)
Impact of changes in the scope of consolidation	(7,434)	(406)	742
Closing loss allowance	442,285	697,957	789,525

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(v) Loan receivables

If the credit risk of the asset is in line with original expectations, the Group categorizes the asset as performing and recognizes 12-month ECLs (Stage 1). If a significant credit risk of the asset has occurred compared to original expectations or the credit is impaired, the asset is categorized as underperforming or non-performing and lifetime ECLs are recognized (Stages 2 and 3):

Set out below is the information about credit risk exposure on the Group’s loan receivables:

	Stage 1	Stage 2	Stage 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
December 31, 2023				
Expected loss rate	1.97%	3.86%	100.00%	
Gross carrying amount	201,480	294,622	75,334	571,436
Loss allowance	3,969	11,364	75,334	90,667
December 31, 2024				
Expected loss rate	3.49%	4.07%	100.00%	
Gross carrying amount	117,674	265,030	75,823	458,527
Loss allowance	4,112	10,781	75,823	90,716
December 31, 2025				
Expected loss rate	4.21%	–	100.00%	
Gross carrying amount	101,164	–	88,193	189,357
Loss allowance	4,262	–	88,193	92,455

The loss allowances for loan receivables for the years ended December 31, 2023, 2024 and 2025 reconcile to the opening loss allowances are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Opening loss allowance	88,974	90,667	90,716
Loss allowance recognized, net	1,693	587	627
Impact of changes in the scope of consolidation	–	(538)	1,112
Closing loss allowance	90,667	90,716	92,455

Credit risk of financial guarantee contracts

The Group monitors the risk that the specified debtor will default on the contract. A 12-month ECL is measured (Stage 1) unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured (Stages 2 and 3).

As the Group is required to make payments only in the event of a default by the specified debtor in accordance with the terms of the instrument that is guaranteed, an ECL is estimated based on the expected payments to reimburse the holder for a credit loss that it incurs less any amount that the Group expects to receive from the holder of the guarantee, the specified debtor or any other party. The amount is then discounted using the current risk-free rate adjusted for risks specific to the cash flows.

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Set out below is the information about credit risk exposure on the Group’s finance guarantee contracts:

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
December 31, 2023				
Expected loss rate	0.57%	–	–	
Exposure on finance guarantee contracts	3,193,836	–	–	3,193,836
Loss allowance	18,115	–	–	18,115
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
December 31, 2024				
Expected loss rate	2.12%	–	–	
Exposure on finance guarantee contracts	2,413,719	–	–	2,413,719
Loss allowance	51,200	–	–	51,200
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
December 31, 2025				
Expected loss rate	1.91%	–	–	
Exposure on finance guarantee contracts	2,342,795	–	–	2,342,795
Loss allowance	44,814	–	–	44,814
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The loss allowances for financial guarantee contracts for the years ended December 31, 2023, 2024 and 2025 reconcile to the opening loss allowances are as follows:

	<u>Year ended December 31,</u>		
	<u>2023</u>	<u>2024</u>	<u>2025</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Opening loss allowance	15,320	18,115	51,200
Loss allowance recognized/(reversed), net	<u>2,795</u>	<u>33,085</u>	<u>(6,386)</u>
Closing loss allowance	<u>18,115</u>	<u>51,200</u>	<u>44,814</u>

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45.3 Liquidity risk

The Group intends to maintain sufficient cash and cash equivalents. Due to the dynamic nature of the underlying business, the policy of the Group is to regularly monitor the Group’s liquidity risk and to maintain adequate liquid assets such as cash and cash equivalents or to retain adequate financing arrangements to meet the Group’s liquidity requirements.

The tables below analyze the Group’s financial liabilities that will be settled into relevant maturity groupings based on the remaining period at the end of each Relevant Period to their contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Weighted average effective interest rate	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total	Total carrying amount
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at December 31, 2023							
Trade and note payables	NA	19,336,161	–	–	–	19,336,161	19,336,161
Accruals and other payables							
(excluding non-financial liabilities)	NA	4,559,938	–	–	–	4,559,938	4,559,938
Lease liabilities	4.50%	200,185	197,840	613,159	972,914	1,984,098	1,507,210
Derivative financial instruments	NA	6,603	–	–	–	6,603	6,603
Borrowings	3.12%	17,807,450	12,587,774	6,481,969	5,240,007	42,117,200	39,571,219
Other current liabilities							
(excluding non-financial liabilities)	NA	26,417	–	–	–	26,417	26,417
Financial guarantee contracts	NA	3,193,836	–	–	–	3,193,836	18,115
		<u>45,130,590</u>	<u>12,785,614</u>	<u>7,095,128</u>	<u>6,212,921</u>	<u>71,224,253</u>	<u>65,025,663</u>
	Weighted average effective interest rate	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total	Total carrying amount
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at December 31, 2024							
Trade and note payables	NA	20,136,115	–	–	–	20,136,115	20,136,115
Accruals and other payables							
(excluding non-financial liabilities)	NA	4,889,083	–	–	–	4,889,083	4,889,083
Lease liabilities	4.32%	327,240	324,820	1,018,217	7,011,332	8,681,609	5,864,601
Derivative financial instruments	NA	1,934	–	–	–	1,934	1,934
Borrowings	3.25%	25,164,369	7,887,676	8,596,890	9,532,630	51,181,565	47,805,472
Other current liabilities							
(excluding non-financial liabilities)	NA	25,028	–	–	–	25,028	25,028
Financial guarantee contracts	NA	2,413,719	–	–	–	2,413,719	51,200
		<u>52,957,488</u>	<u>8,212,496</u>	<u>9,615,107</u>	<u>16,543,962</u>	<u>87,329,053</u>	<u>78,773,433</u>

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	Weighted average effective interest rate	Less than 1 year <i>RMB’000</i>	Between 1 and 2 years <i>RMB’000</i>	Between 2 and 5 years <i>RMB’000</i>	Over 5 years <i>RMB’000</i>	Total <i>RMB’000</i>	Total carrying amount <i>RMB’000</i>
As at December 31, 2025							
Trade and note payables	NA	19,598,707	–	–	–	19,598,707	19,598,707
Accruals and other payables (excluding non-financial liabilities)	NA	4,810,405	–	–	–	4,810,405	4,810,405
Lease liabilities	3.51%	429,258	771,452	2,406,070	11,724,690	15,331,470	10,505,925
Derivative financial instruments	NA	1,201	–	–	–	1,201	1,201
Borrowings	3.44%	28,100,036	13,716,347	8,375,919	12,329,036	62,521,338	58,415,731
Other current liabilities (excluding non-financial liabilities)	NA	17,669	–	–	–	17,669	17,669
Financial guarantee contracts	NA	2,342,795	–	–	–	2,342,795	44,814
		<u>55,300,071</u>	<u>14,487,799</u>	<u>10,781,989</u>	<u>24,053,726</u>	<u>104,623,585</u>	<u>93,394,452</u>

45.4 Capital management

The primary objectives of the Group’s capital management are to safeguard the Group’s ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders’ value.

The Group manages its capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may issue new shares, sell assets to reduce debt or raise additional funding from shareholders or financial institutions as and when necessary. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2023, 2024 and 2025.

The Group monitors capital on the basis of the debt to asset ratio as at December 31, 2023, 2024 and 2025 are as follows:

	As at December 31,		
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Total assets	120,804,656	138,222,178	158,800,627
Total liabilities	74,298,269	87,478,440	105,005,346
Debt to asset ratio	<u>61.50%</u>	<u>63.29%</u>	<u>66.12%</u>

45.5 Fair value estimation

(i) Determination of fair value and the fair value hierarchy of financial instruments

This note provides information on how the Group determines the fair values of various financial assets and liabilities.

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

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- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Group

As at December 31, 2023

	Level 1	Level 2	Level 3	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Financial assets at FVOCI				
– Note receivables at FVTOCI (<i>Note 17</i>)	–	130,493	–	130,493
– Equity investments at FVTOCI (<i>Note 17</i>)	–	–	1,722,996	1,722,996
	–	130,493	1,722,996	1,853,489
Financial assets at FVTPL				
– Equity investments at FVTPL (<i>Note 18</i>)	379,426	–	2,382,941	2,762,367
– Derivative financial instruments (<i>Note 18</i>)	–	11,389	–	11,389
	379,426	11,389	2,382,941	2,773,756
Financial liabilities at FVTPL				
– Derivative financial liabilities	–	6,603	–	6,603

As at December 31, 2024

	Level 1	Level 2	Level 3	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Financial assets at FVTOCI				
– Note receivables at FVTOCI (<i>Note 17</i>)	–	112,871	–	112,871
– Equity investments at FVTOCI (<i>Note 17</i>)	–	–	2,193,438	2,193,438
	–	112,871	2,193,438	2,306,309
Financial assets at FVTPL				
– Equity investments at FVTPL (<i>Note 18</i>)	415,564	–	3,887,801	4,303,365
– Derivative financial instruments (<i>Note 18</i>)	–	6,693	–	6,693
– Others	–	–	5,857	5,857
	415,564	6,693	3,893,658	4,315,915
Financial liabilities at FVTPL				
– Derivative financial liabilities	–	1,934	–	1,934

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As at December 31, 2025

	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at FVTOCI				
– Note receivables at FVTOCI (<i>Note 17</i>)	–	148,161	–	148,161
– Equity investments at FVTOCI (<i>Note 17</i>)	–	–	2,834,325	2,834,325
	–	148,161	2,834,325	2,982,486
Financial assets at FVTPL				
– Equity investments at FVTPL (<i>Note 18</i>)	412,803	–	6,021,312	6,434,115
– Derivative financial instruments (<i>Note 18</i>)	–	126,223	–	126,223
	412,803	126,223	6,021,312	6,560,338
Financial liabilities at FVTPL				
– Derivative financial liabilities	–	1,201	–	1,201

The Company

As at December 31, 2023

	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at FVTPL				
– Equity investments at FVTPL (<i>Note 18</i>)	379,421	–	155,660	535,081
– Derivative financial instruments (<i>Note 18</i>)	–	1,763	–	1,763
	379,421	1,763	155,660	536,844

As at December 31, 2024

	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at FVTPL				
– Equity investments at FVTPL (<i>Note 18</i>)	415,564	–	292,617	708,181
	415,564	–	292,617	708,181
Financial liabilities at FVTPL				
– Derivative financial liabilities	–	1,934	–	1,934
	–	1,934	–	1,934

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As at December 31, 2025

	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at FVTPL				
– Equity investments at FVTPL (Note 18)	412,803	–	304,636	717,439
– Derivative financial instruments (Note 18)	–	119,275	–	119,275
	<u>412,803</u>	<u>119,275</u>	<u>304,636</u>	<u>836,714</u>

- (i) The market prices of the above listed equity shares measured at Level 1 fair value are determined based on the quoted closing price in active markets.

The fair values of derivative financial instruments are based on quoted market prices or recent transaction prices provided by respective financial institutions, where appropriate.

The timing of transfers is determined at the date of the event or change in circumstances that caused the transfers. During the Relevant Period, there was no transfer between Level 1, Level 2 and Level 3.

(ii) *The Group’s valuation process*

For the financial assets, classified as level 3 fair values, the Group’s finance department assisted by the an independent valuer, Kunyuan Assets Appraisal Co., Ltd. (located at North Block, Modern International Mansion, No.159 Tianmushan Road, Xihu District, Hangzhou City), which is not connected with the Group and to perform the valuations for financial reporting purpose. The finance department reports the valuation results to the Directors.

(iii) *The reconciliation of Level 3 assets are analyzed below:*

	Financial assets at FVTOCI and FVTPL		
	Equity investments at FVTOCI	Equity investments at FVTPL	Total
	RMB'000	RMB'000	RMB'000
At January 1, 2023	1,289,637	584,554	1,874,191
Increases	349,435	1,808,904	2,158,339
Changes in fair value changes through other comprehensive income	75,983	–	75,983
Changes in fair value changes through profit or loss	–	(10,517)	(10,517)
Currency translation differences	7,941	–	7,941
At December 31, 2023	<u>1,722,996</u>	<u>2,382,941</u>	<u>4,105,937</u>

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	Financial assets at FVTOCI and FVTPL			
	Equity investments at FVTOCI	Equity investments at FVTPL	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2024	1,722,996	2,382,941	–	4,105,937
Increases	639,865	1,500,946	5,857	2,146,668
Changes in fair value changes through other comprehensive income	(146,008)	–	–	(146,008)
Changes in fair value changes through profit or loss	–	3,914	–	3,914
Currency translation differences	(23,415)	–	–	(23,415)
At December 31, 2024	2,193,438	3,887,801	5,857	6,087,096

	Financial assets at FVTOCI and FVTPL			
	Equity investments at FVTOCI	Equity investments at FVTPL	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2025	2,193,438	3,887,801	5,857	6,087,096
Increases/(decrease), net	414,515	2,078,427	(5,857)	2,487,085
Changes in fair value changes through other comprehensive income	183,306	–	–	183,306
Changes in fair value changes through profit or loss	–	55,084	–	55,084
Currency translation differences	43,066	–	–	43,066
At December 31, 2025	2,834,325	6,021,312	–	8,855,637

- (i) The fair values of unlisted equity instruments at FVTOCI and FVTPL as at December 31, 2023, 2024 and 2025 have been arrived with reference to adjusted net assets or valuation carried out on the dates by an independent qualified professional valuer not related to the Group, using discounted cash flow method.
- (ii) The fair value of bank acceptance notes receivables measured at FVTOCI have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. Given that the maturities are of a short-term nature, the impact of fair value changes is immaterial.

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(iv) *Valuation inputs and relationships to fair value*

Description	Fair value			Valuation techniques	Significant unobservable input(s)	Range of significant unobservable inputs	Relationship of unobservable input(s) to fair values
	As at December 31,						
	2023	2024	2025				
	RMB'000	RMB'000	RMB'000				
Unlisted equity investments at FVTOCI	1,722,996	2,050,701	2,755,600	Discounted cash flow method	Discount rate	6.18% to 11.19%	An increase in discount rate would result in decrease in fair value, and vice versa.
	–	142,737	78,725	Net asset value	Net asset value	N/A	An increase in net asset value would result in an increase in fair value, and vice versa.
Unlisted equity investments at FVTPL	–	–	6,021,312	Discounted cash flow method	Discount rate	5.89% to 10.56%	An increase in discount rate would result in decrease in fair value, and vice versa.
	2,382,941	3,887,801	–	Net asset value	Net asset value	N/A	An increase in net asset value would result in an increase in fair value, and vice versa.
Note receivables at FVTOCI	130,493	112,871	148,161	Discounted cash flow method	N/A	N/A	N/A
Derivative financial instruments	11,389	6,693	126,223	Recent transaction price	N/A	N/A	N/A
Derivative financial liabilities	6,603	1,934	1,201	Recent transaction price	N/A	N/A	N/A

If the discount rate used had been 0.5% higher/lower for equity instruments at FVTOCI, the other comprehensive income before tax for the years ended December 31, 2023, 2024 and 2025 would have been decreased/increased by approximately RMB68,920,000, RMB82,028,000 and RMB110,224,000.

If the discount rate used had been 0.5% higher/lower for equity instruments at FVTPL, the profit before tax for the year ended December 31, 2025 would have been decreased/increased by approximately RMB240,852,000.

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45.6 Transfers of financial assets

Transferred financial assets that were derecognized in their entirety:

The Group has discounted certain note receivables to banks or endorsed to certain suppliers for settlement of trade payables. These note receivables are issued or guaranteed by reputable PRC banks with high credit ratings, therefore the Directors consider the substantial risks in relation to these note receivables are interest risk as the credit risk arising from these bills are minimal. Upon the discount/endorsement of these note receivables, the Group has transferred substantially all the risks of these note receivables to relevant banks/suppliers, hence the Group has derecognized these note receivables.

As at December 31, 2023, 2024 and 2025, the Group’s note receivables amounted to RMB13,488,244,000, RMB10,315,998,000 and RMB15,952,450,000, respectively, which were discounted to the banks or endorsed to certain suppliers for settlement of trade payables but not mature that are derecognized in their entirety.

Transferred financial assets that were not derecognized in their entirety:

As at December 31, 2023, 2024 and 2025, included in the Group’s note receivables amounted to RMB136,134,000, nil and RMB75,712,000, respectively, which were discounted to the banks or endorsed to certain suppliers for settlement of trade payables on a full recourse basis that are not derecognized in their entirety. As the Group has not transferred the significant risks and rewards relating to the note receivables to the banks or its suppliers upon endorsement, it continues to recognize the full carrying amount of note receivables and recognized the cash received on the transfer as the pledged borrowings or trade payables from the endorsement of the notes with full recourse.

46. RELATED PARTY TRANSACTIONS

(a) Ultimate Controlling Shareholder

Name	Ownership interest As at December 31,		
	2023	2024	2025
Mr. Nan Cunhui	53.02%	53.02%	53.02%

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(b) Names and relationship with related parties

The Directors are of the view that the following parties were significant related parties of the Group that had transactions or balances with the Group for the years ended December 31, 2023, 2024 and 2025:

Name of the related parties	Relationship with the Group
Zhejiang Taiheng New Energy Co., Ltd. (浙江泰恆新能源有限公司)	An associate of the Group
Chintec Spółka z ograniczoną odpowiedzialnością	An associate of the Group
Aksay Kazakh Autonomous County Lutai New Energy Development Co., Ltd. (阿克塞哈薩克族自治縣陸泰新能源開發有限公司)	An associate of the Group
CHINTEC SP. Z O.O.	An associate of the Group
DEKRA Testing Services (Zhejiang) Co., Ltd. (德凱質量測試服務(浙江)有限公司)	An associate of the Group
Yongchang County Hangtai New Energy Development Co., Ltd. (永昌縣杭泰新能源開發有限公司)	An associate of the Group
Hangtai New Energy Development Co., Ltd. In Liangzhou District, Wuwei City (武威市涼州區杭泰新能源開發有限公司)	An associate of the Group
Chint Group Finance Co., Ltd. (正泰集團財務有限公司)	An associate of the Group
Shantou Guangyao New Energy Co., Ltd. (汕頭市光耀新能源有限公司)	An associate of the Group
Wenzhou Taihan New Energy Development Co., Ltd. (溫州泰瀚新能源開發有限公司)	An associate of the Group
Gansu Jintai Electric Power Co., Ltd. (甘肅金泰電力有限責任公司)	An associate of the Group
Zhangjiakou Jingzhang Yingbin Corridor Ecological Energy Co., Ltd. (張家口京張迎賓廊道生態能源有限公司)	An associate of the Group
Ordos Zhengli New Energy Power Generation Co., Ltd. (鄂爾多斯市正利新能源發電有限公司)	An associate of the Group
Chun'an Mingyu New Energy Development Co., Ltd. (淳安明禺新能源開發有限公司)	An associate of the Group
Shantou Hengpeng New Energy Co., Ltd. (汕頭恆鵬新能源有限公司)	An associate of the Group
Huadian Hubei Huanggang New Energy Co., Ltd. (華電湖北黃岡新能源有限公司)	An associate of the Group
Hangzhou Heyu New Energy Development Co., Ltd. (杭州合禺新能源開發有限公司)	An associate of the Group
AST (Astronergy Solar Thailand Co, Ltd.)	An associate of the Group
Zhuhai Zhutai Photovoltaic Power Generation Co., Ltd. (珠海市珠泰光伏發電有限公司)	An associate of the Group
Guangzhou Meishuo Shengfu Energy Technology Co., Ltd. (廣州市美碩生富能源科技有限公司)	An associate of the Group
Solmotion GmbH	An associate of the Group
Hangzhou Tiance Qirui Industrial Co., Ltd. (杭州天策啟瑞實業有限公司)	An associate of the Group
MLT Solar Energy Products Company Ltd	An entity controlled by the Ultimate Controlling Shareholder
ASTRONERGY NEW ENERGY TECHNOLOGY (SINGAPORE) PTE. LTD.	An entity controlled by the Ultimate Controlling Shareholder
Astronergy Europe GmbH	An entity controlled by the Ultimate Controlling Shareholder
Astronergy Solar Inc.	An entity controlled by the Ultimate Controlling Shareholder
Haining Chint Solar Energy Technology Co., Ltd. (海寧正泰太陽能科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Chint New Energy Technology (Yancheng) Co., Ltd. (鹽城正泰新能源科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Chint New Energy Technology Co., Ltd. (正泰新能科技股份有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Jiuquan Chint New Energy Technology Co., Ltd. (酒泉正泰新能源科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Yueqing Zhengxin Metal Parts Co., Ltd. (樂清市正鑫金屬件有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Chint Electric Co., Ltd. (正泰電氣股份有限公司)	An entity controlled by the Ultimate Controlling Shareholder

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Name of the related parties	Relationship with the Group
Zhejiang Chint Yishan Logistics Technology Co., Ltd. (浙江正泰億閃物流科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Hangzhou Zengtai Import and Export Trading Co., Ltd. (杭州錚泰進出口貿易有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Yueqing Chint Solar Energy Technology Co., Ltd. (樂清正泰太陽能科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Shaanxi Chint Cable Co., Ltd. (陝西正泰電纜有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Horgos Chint Technology Service Co., Ltd. (霍爾果斯正泰科技服務有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Shandong Chint Cable Co., Ltd. (山東正泰電纜有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Chint Automotive Technology Co., Ltd. (浙江正泰汽車科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Chint Cable Co., Ltd. (浙江正泰電纜有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Chint Zhiwei Energy Service Co., Ltd. (浙江正泰智維能源服務有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Chint Electric Technology Co., Ltd. (浙江正泰電氣科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Chint Energy Efficiency Technology Co., Ltd. (浙江正泰能效科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Shanghai Dianke Electric Appliance Technology Co., Ltd. (正泰集團研發中心(上海)有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Wenzhou Taiyu New Material Technology Co., Ltd. (溫州泰鈺新材料科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Chint Home Technology Co., Ltd. (浙江正泰居家科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Taiyida Logistics Technology Co., Ltd. (浙江泰易達物流科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Chint Juneng Technology Co., Ltd. (浙江正泰聚能科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Chint Intelligent Manufacturing Equipment (Shenzhen) Co., Ltd. (正泰智能製造裝備(深圳)有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Chint Network Technology Co., Ltd. (正泰網絡科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Liaoning Chint Intelligent Electric Co., Ltd. (遼寧正泰智能電氣有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Chint Group Complete Plant Manufacturing Co., Ltd. (浙江正泰智能電氣有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Shaanxi Chint Intelligent Electric Co., Ltd. (陝西正泰智能電氣有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Wenzhou Chint Smart Home Technology Co., Ltd. (溫州正泰智能家居科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Yancheng Chint Solar Energy Technology Co., Ltd. (鹽城正泰太陽能科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Yiwu Chint Solar Energy Technology Co., Ltd. (義烏正泰太陽能科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Hangzhou Guodian Energy Environment Design & Research Institute Co., Ltd. (杭州國電能源環境設計研究院有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Chint E-commerce Co., Ltd. (浙江正泰電子商務有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Yanchi County Hetai New Energy Technology Co., Ltd. (鹽池縣賀泰新能源科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Shanghai Chint Enterprise Management Service Co., Ltd. (上海正泰企業管理服務有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Chint Qidi (Shanghai) Technology Development Co., Ltd. (正泰啟迪(上海)科技發展有限公司)	An entity controlled by the Ultimate Controlling Shareholder

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Zunyi Taiyida Logistics Co., Ltd. (遵義泰易達物流有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Chint New Energy Investment Co., Ltd. (浙江正泰新能源投資有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Chint Zhongzi Enterprise Management Co., Ltd. (浙江正泰中自企業管理有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Lixiang Jingyan Semiconductor Equipment (Shanghai) Co., Ltd. (理想晶延半導體設備(上海)股份有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Zhejiang Jiuan Testing Technology Co., Ltd. (浙江九安檢測科技有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Zhejiang Zhidianyun Digital Technology Co., Ltd. (浙江智電雲數字科技有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Wenzhou Minshang Bank Co., Ltd. (溫州民商銀行股份有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Shanghai Zhengsailian Venture Capital Management Co., Ltd. (上海正賽聯創業投資管理有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Zhejiang Jiumu Smart Agriculture Technology Co., Ltd. (浙江九畝智慧農業科技有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Anji Jiumu Ecological Agriculture Co., Ltd. (安吉九畝生態農業有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Zhejiang Zhenghua Construction Technology Co., Ltd. (浙江正驊建築科技有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Zhejiang Bohong Decoration Co., Ltd. (浙江柏泓裝飾有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Shandong Qitai New Energy Technology Co., Ltd. (山東祺泰新能源科技有限公司)	An entity controlled by the key management of the Company
Binzhou Qitai New Energy Technology Co., Ltd. (濱州市祺泰新能源科技有限公司)	An entity controlled by the key management of the Company
Jining Qitai New Energy Technology Co., Ltd. (濟寧祺泰新能源科技有限公司)	An entity controlled by the key management of the Company
Weifang Qitai New Energy Technology Co., Ltd. (濰坊祺泰新能源科技有限公司)	An entity controlled by the key management of the Company
Shandong Chint Electric Co., Ltd. (山東正泰電器有限公司)	An entity controlled by the key management of the Company
Jinan Haotai Electrical Equipment Co., Ltd. (濟南豪泰電氣設備有限公司)	An entity controlled by the key management of the Company
Yueqing Chint (樂清正泰光伏發電有限公司)	An associate of the Group
Qingdao Chengtai Green Energy Co., Ltd. (青島城泰綠色能源有限公司)	An associate of the Group
Jiayuguan Chint Photovoltaic Power Generation Co., Ltd. (嘉峪關正泰光伏發電有限公司)	An associate of the Group
Yili Kubuqi (內蒙古億利庫布其生態能源有限公司)	An associate of the Group
Huadian Xinneng Hangtai (Quzhou) Photovoltaic Power Generation Co., Ltd. (華電新能杭泰(衢州)光伏發電有限公司)	An associate of the Group
Ji'an Shengtian (吉安盛天新能源有限公司)	An associate of the Group
Dunhuang Chint Photovoltaic Power Generation Co., Ltd. (敦煌正泰光伏發電有限公司)	An associate of the Group
Zhongwei Qingyin Yuanxing Solar Energy Co., Ltd. (中衛清銀源星太陽能有限責任公司)	An associate of the Group

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Name of the related parties	Relationship with the Group
Zhongwei Chint Photovoltaic Power Generation Co., Ltd. (中衛正泰光伏發電有限公司)	An associate of the Group
Gaotai Chint Photovoltaic Power Generation Co., Ltd. (高台縣正泰光伏發電有限公司)	An associate of the Group
Minqin Chint Photovoltaic Power Generation Co., Ltd. (民勤縣正泰光伏發電有限公司)	An associate of the Group
Dunhuang Tianrun New Energy Co., Ltd. (敦煌市天潤新能源有限公司)	An associate of the Group
Astronergy Solar Thailand Co., Ltd.	An associate of the Group
Yueqing Zhengxi Enterprise Management Consulting Center (Limited Partnership) (樂清正熹企業管理諮詢中心(有限合夥))	An associate of the Group
Yueqing Zhenghong Enterprise Management Consulting Center (Limited Partnership) (樂清正宏企業管理諮詢中心(有限合夥))	An associate of the Group
Yongchang Chint Photovoltaic Power Generation Co., Ltd. (永昌正泰光伏發電有限公司)	An associate of the Group
Jinchang Weisheng Solar Energy Power Generation Co., Ltd. (金昌帷盛太陽能發電有限公司)	An associate of the Group
Ji'an Shengtian (浙江杭泰數智能源開發有限公司)	An associate of the Group
Zhejiang Chint Auto Parts Co., Ltd. (浙江正泰汽車零部件有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Hangzhou Rongtai Import and Export Trading Co., Ltd. (杭州嵘泰進出口貿易有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Hangzhou Chint Jinxiu Photovoltaic Technology Co., Ltd. (杭州正泰錦繡光伏科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Chint Optoelectronics Co., Ltd. (浙江正泰光電有限責任公司)	An entity controlled by the Ultimate Controlling Shareholder
Shanghai Chint Property Service Co., Ltd. (上海正泰物業服務有限公司)	An entity controlled by the Ultimate Controlling Shareholder
TAIYIDA LOGISTICS (HONG KONG) CO., LIMITED (泰易達物流(香港)有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Wenzhou Chint Home Appliance Co., Ltd. (溫州正泰居家電器有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Chint Electric Power Design Co., Ltd. (正泰電力設計有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Hangzhou Chint Digital Technology Co., Ltd. (杭州正泰數智科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Jiangsu Chint Taijie Sai Intelligent Technology Co., Ltd. (江蘇正泰泰傑賽智能科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Shanghai Tahechen Energy Technology Co., Ltd. (上海泰氫晨能源科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Ruineng Electric Power Testing Co., Ltd. (浙江睿能電力檢測有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Chint Zhongzi Controlling Engineering Co., Ltd. (浙江正泰中自控制工程有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Shaanxi Chint Digital Technology Co., Ltd. (陝西正泰數智科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Chint Electric Power Services Co., Ltd. (正泰電力服務有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Anhui Hedian Chint Electrical Complete Equipment Co., Ltd. (安徽合電正泰電氣成套設備有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Zhejiang Bohong Holding Co., Ltd. (浙江柏泓控股有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Qinghai Lihao Clean Energy Co., Ltd. (青海麗豪清能股份有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Zhejiang Bohong Construction Technology Co., Ltd. (浙江柏泓建築科技有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder

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Name of the related parties	Relationship with the Group
Jiuxiang Yizhan (Hangzhou) Trading Co., Ltd. (九鄉驛站(杭州)貿易有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Jiuxiang Yizhan (Wenzhou) Trading Co., Ltd. (九鄉驛站(溫州)貿易有限公司)	An entity significantly influenced by the Ultimate Controlling Shareholder
Zhejiang Zhongkong Information Industry Co., Ltd. (浙江中控信息產業股份有限公司)	An associate of the Group
Chint (Zhejiang) Rail Transit Technology Co., Ltd. (正泰(浙江)軌道交通科技有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Beijing Hexin Ruitong Electric Power Technology Co., Ltd. (北京和信瑞通電力技術股份有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Hangzhou Taimeng Enterprise Management Co., Ltd. (杭州泰夢企業管理有限公司)	An entity controlled by the Ultimate Controlling Shareholder
Liaocheng Dongxin Yunling New Energy Co., Ltd. (聊城市東新雲嶺新能源有限公司)	An entity controlled by the Ultimate Controlling Shareholder

The following transactions and balances were carried out between the Group and its related parties during the Relevant Period. In the opinion of the Directors, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties. In addition to those disclosed elsewhere in the Historical Financial Information, the Group has the following transactions with related parties:

(c) **Material transactions with related parties**

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Sales of goods and rendering of services:			
An associate of the Group	483,087	1,464,181	64,441
An entity controlled by the Ultimate Controlling Shareholder	2,323,960	2,703,803	2,792,932
An entity significantly influenced by the Ultimate Controlling Shareholder	84	520	451
An entity controlled by the key management of the Company	191,038	228,294	312,231
	<u>2,998,169</u>	<u>4,396,798</u>	<u>3,170,055</u>
	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Purchase of goods and services:			
An associate of the Group	61,930	46,512	16,964
An entity significantly influenced by the Ultimate Controlling Shareholder	97,081	48,536	16,559
An entity controlled by the Ultimate Controlling Shareholder	7,993,081	4,646,337	4,561,843
An entity controlled by the key management of the Company	120,335	152,665	79,934
	<u>8,272,427</u>	<u>4,894,050</u>	<u>4,675,300</u>

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	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Lease income:			
An associate of the Group	945	790	841
An entity controlled by the Ultimate Controlling Shareholder	22,787	21,389	11,460
An entity significantly influenced by the Ultimate Controlling Shareholder	2,309	2,353	580
An entity controlled by the key management of the Company	–	–	3,114
	<u>26,041</u>	<u>24,532</u>	<u>15,995</u>

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Rental expenses:			
An associate of the Group	–	28	–
An entity controlled by the Ultimate Controlling Shareholder	109,496	85,437	54,537
An entity significantly influenced by the Ultimate Controlling Shareholder	–	–	–
An entity controlled by the key management of the Company	–	–	1,031
	<u>109,496</u>	<u>85,465</u>	<u>55,568</u>

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Guarantee provided by the Ultimate Controlling Shareholder:			
An associate of the Group	<u>6,267,126</u>	<u>5,658,149</u>	<u>423,770</u>

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Guarantee provided by the Company and its subsidiaries:			
An associate of the Group	<u>1,262,595</u>	<u>643,461</u>	<u>338,990</u>

(d) **Balance with related parties**

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade and note receivables:			
An associate of the Group	1,232,485	941,571	62,330
An entity controlled by the Ultimate Controlling Shareholder	1,198,073	912,972	676,706
An entity significantly influenced by the Ultimate Controlling Shareholder	3,594	3,853	316
An entity controlled by the key management of the Company	30,178	29,819	61,510
Less: credit loss allowance	<u>(123,650)</u>	<u>(185,189)</u>	<u>(51,360)</u>
	<u>2,340,680</u>	<u>1,703,026</u>	<u>749,502</u>

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	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade and note payables:			
An associate of the Group	20,620	12,078	10,771
An entity controlled by the Ultimate Controlling Shareholder	2,396,115	1,434,886	1,266,354
An entity significantly influenced by the Ultimate Controlling Shareholder	25,410	21,729	28,227
An entity controlled by the key management of the Company	62,083	57,502	41,570
	<u>2,504,228</u>	<u>1,526,195</u>	<u>1,346,922</u>
	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Other receivables:			
An associate of the Group	908,552	345,506	580,997
A joint venture of the Group	–	–	610
An entity controlled by the Ultimate Controlling Shareholder	31,121	21,678	23,424
An entity significantly influenced by the Ultimate Controlling Shareholder	637	10	8
An entity controlled by the key management of the Company	796	–	70
Less: credit loss allowance	(42,864)	(70,169)	(113,749)
	<u>898,242</u>	<u>297,025</u>	<u>491,360</u>
	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Other payables:			
An associate of the Group	8,106	42,339	3,571
An entity controlled by the Ultimate Controlling Shareholder	21,917	36,316	39,673
An entity significantly influenced by the Ultimate Controlling Shareholder	541	2,073	2,790
An entity controlled by the key management of the Company	796	894	994
	<u>31,360</u>	<u>81,622</u>	<u>47,028</u>
	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Contract assets:			
An associate of the Group	87,966	138,879	56,848
An entity controlled by the Ultimate Controlling Shareholder	539	1,593	14,713
Less: credit loss allowance	(2,447)	(14,338)	(28,611)
	<u>86,058</u>	<u>126,134</u>	<u>42,950</u>

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ACCOUNTANTS’ REPORT

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Contract liabilities:			
An associate of the Group	1,001,219	22	3,810
An entity controlled by the Ultimate Controlling Shareholder	2,116	3,368	20,684
An entity significantly influenced by the Ultimate Controlling Shareholder	2	181	180
An entity controlled by the key management of the Company	379	6,600	22,704
	<u>1,003,716</u>	<u>10,171</u>	<u>47,378</u>
	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Notes receivables at FVTOCI:			
An associate of the Group	–	41	–
An entity controlled by the Ultimate Controlling Shareholder	–	7,642	–
	<u>–</u>	<u>7,683</u>	<u>–</u>
	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Prepayments:			
An associate of the Group	21	343,940	189
An entity controlled by the Ultimate Controlling Shareholder	52,786	43,858	98,520
An entity significantly influenced by the Ultimate Controlling Shareholder	234	351	86
An entity controlled by the key management of the Company	45	215	685
	<u>53,086</u>	<u>388,364</u>	<u>99,480</u>
	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Received in advance:			
An associate of the Group	1,159	7,554	500
An entity controlled by the Ultimate Controlling Shareholder	88	156	1,965
An entity significantly influenced by the Ultimate Controlling Shareholder	4,839	111	121
	<u>6,086</u>	<u>7,821</u>	<u>2,586</u>

All the balances with the related parties are in trade nature.

APPENDIX I

ACCOUNTANTS’ REPORT

(e) Transactions and balance with Chint Group Finance Co., Ltd. and Wenzhou Minshang Bank Co., Ltd.

The Group received interest income on deposits from Chint Group Finance Co., Ltd. of RMB48,787,000, RMB60,127,000 and RMB38,042,000 for the years ended December 31, 2023, 2024 and 2025, respectively. As at December 31, 2023, 2024 and 2025, the outstanding balance of deposits (including principal and interest) held by the Group with Chint Group Finance Co., Ltd. amounted to RMB6,465,024,000, RMB6,039,126,000 and RMB6,083,914,000, respectively.

The Group paid interest on borrowings to Chint Group Finance Co., Ltd. of RMB34,952,000, RMB34,830,000 and RMB38,809,000 for the years ended December 31, 2023, 2024 and 2025, respectively. As at December 31, 2023, 2024 and 2025, the outstanding borrowings owed by the Group to Chint Finance Company amounted to RMB1,270,100,000, RMB1,352,238,000 and RMB1,131,344,000, respectively.

The Group received interest income on deposits from Wenzhou Minshang Bank Co., Ltd. of RMB6,165,000, RMB10,660,000 and RMB12,254,000 for the years ended December 31, 2023, 2024 and 2025, respectively. As at December 31, 2023, 2024 and 2025, the outstanding balance of deposits (including principal and interest) held by the Group with Wenzhou Minshang Bank Co., Ltd. amounted to RMB106,217,000, RMB539,520,000 and RMB363,851,000, respectively.

(f) Key management compensation

Compensation of the key management personnel of the Group, including amounts paid to the Company’s directors and supervisors as disclosed in Note 10, was as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Fee	300	300	302
Salaries, wages and bonuses	33,584	26,100	23,167
Share-based compensation expenses	25,782	51,284	35,421
Pension costs, housing fund, medical insurance and other social benefits	1,227	1,093	620
	<u>60,893</u>	<u>78,777</u>	<u>59,510</u>

As at December 31, 2023, 2024 and 2025, payroll payables of approximately RMB21,574,000, RMB15,943,000, and RMB17,085,000 which were unpaid at those dates were included in other payables and accruals. The share-based payments provided to key management personnel consist of restricted share incentive schemes which are equity-settled, details are set out in Note 39.

47. EVENTS AFTER THE REPORTING PERIOD

[On June 23, 2026, the Board of Directors of the Company approved the Company’s participation, through the Shanghai United Assets and Equity Exchange, in the competitive bidding process to acquire a 3.16% equity interest in Chint Anneng held by National Green Development Fund Co., Ltd. (“**Green Fund**”). As of the date of this report, the Company has successfully completed the bidding process and secured the relevant equity interest, with a total transaction consideration of RMB1,115,891,900. Upon completion of this transaction, the Company’s direct and indirect shareholding in Chint Anneng will increase from 68.08% to 71.24%. This transaction is expected to further deepen the Company’s presence in the green energy sector, integrate high-quality resources, optimise Chint Anneng’s equity structure, enhance overall strategic synergy and management efficiency, and is not expected to have a material impact on the Company’s daily operations and production activities.]

[On August 3, the application for the Carbon-Neutral Green Held-Type Real-Estate Asset-Backed Special-Purpose Plan (Rural Revitalisation) (the “**ABS**”), with Chint Anneng as its originator, was accepted by the Shanghai Stock Exchange. The underlying assets size of the proposed ABS is RMB6,662,000,000. As at the date of this report, the financial impact of issuance of the ABS is currently being assessed by the Directors.]

48. SUBSEQUENT FINANCIAL STATEMENTS

[No audited financial statements have been prepared by the Company or any of the companies now comprising the Group in respect of any period subsequent to December 31, 2025 and up to the date of this report.]