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XINYI SOLAR HOLDINGS LIMITED
信 義 光 能 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00968)

FINAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

	Year Ended 31 December		
	2024	2023	Change
	RMB million	*RMB million* (Restated)	
Revenue	**21,921.4**	24,163.7	-9.3%
Profit attributable to equity holders of the Company	**1,008.2**	3,842.8	-73.8%
Earnings per share - Basic	**11.27 RMB cents**	43.17 RMB cents	-73.9%
Proposed final dividend per share	**Nil**	15.0 HK cents	

The Board (the "**Board**") of Directors (the "**Directors**") of Xinyi Solar Holdings Limited (the "**Company**"or "**Xinyi Solar**", together with its subsidiaries, the "**Group**") announces the audited consolidated results of the Group for the year ended 31 December 2024, together with the comparative figures for the year ended 31 December 2023, as follows:

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	**2024** *RMB'000*	2023 *RMB'000* (Restated) (Note 2(c))
Revenue	3	**21,921,447**	24,163,667
Cost of sales excluding impairment losses on property, plant and equipment ("**PPE**")	6	**(18,055,449)**	(17,697,502)
Gross profit excluding impairment losses on PPE		**3,865,998**	6,466,165
Cost of sales – impairment losses on PPE	6(ii)	**(392,858)**	—
Gross profit		**3,473,140**	6,466,165
Other income	4	**273,880**	336,408
Other losses – net	5	**(258,434)**	(208,235)
Selling and marketing expenses	6	**(126,963)**	(96,868)
Administrative and other operating expenses	6	**(1,019,345)**	(1,091,469)
Net impairment losses on financial and contract assets		**(15,563)**	(9,048)
Operating profit		**2,326,715**	5,396,953
Finance income	7	**23,279**	31,066
Finance costs	7	**(432,107)**	(348,697)
Share of net profits of investments accounted for using the equity method		**17,411**	25,527
Profit before income tax		**1,935,298**	5,104,849
Income tax expense	8	**(526,227)**	(797,171)
Profit for the year		**1,409,071**	4,307,678
Profit for the year attributable to:			
– the equity holders of the Company		**1,008,233**	3,842,756
– non-controlling interests		**400,838**	464,922
		1,409,071	4,307,678
Earnings per share attributable to the equity holders of the Company			
(Expressed in RMB cents per share)			
– Basic	10(a)	**11.27**	43.17
– Diluted	10(b)	**11.27**	43.16

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
		(Note 2(c))
Profit for the year	**1,409,071**	4,307,678
Other comprehensive income for the year, net of tax:		
Items that will not be reclassified to profit or loss		
Currency translation differences	**207,573**	141,368
Items that may be reclassified to profit or loss		
Currency translation differences	**33,460**	(120,681)
Share of other comprehensive loss of investments accounted for using the equity method		
– Share of currency translation differences	**1,615**	1,054
Total comprehensive income for the year	**1,651,719**	4,329,419
Total comprehensive income for the year attributable to:		
– the equity holders of the Company	**1,322,477**	3,892,495
– non-controlling interests	**329,242**	436,924
	1,651,719	4,329,419

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	**31 December 2024** **RMB'000**	31 December 2023 *RMB'000* (Restated) (Note 2(c))	1 January 2023 *RMB'000* (Restated) (Note 2(c))
ASSETS				
Non-current assets				
Property, plant and equipment		**36,167,785**	33,310,671	24,554,165
Right-of-use assets		**2,175,439**	2,153,387	1,939,170
Intangible assets		**29,346**	28,233	18,925
Prepayments for land use rights and property, plant and equipment	12	**415,867**	863,211	1,006,016
Finance lease receivables		**167,974**	192,407	196,717
Investments accounted for using the equity method		**244,455**	313,737	305,156
Deferred income tax assets		**168,677**	142,779	125,365
Total non-current assets		**39,369,543**	37,004,425	28,145,514
Current assets				
Inventories		**2,856,039**	1,912,056	1,815,967
Contract assets		**33,321**	30,529	37,326
Trade receivables	11	**8,541,364**	7,367,228	6,457,363
Bills receivables at amortised cost	11	**3,046,843**	3,059,278	2,104,077
Bills receivables at fair value through other comprehensive income	11	**280,756**	467,088	768,441
Financial assets at fair value through profit or loss		**58,243**	50,847	—
Prepayments, deposits and other receivables	12	**1,494,623**	1,621,089	911,424
Finance lease receivables		**11,881**	11,895	10,770
Current tax assets		**204,030**	3,192	91,114
Amounts due from related companies		**887**	10,324	7,520
Amounts due from investments accounted for using the equity method		**62,421**	—	89,822
Restricted cash		**19,589**	961,619	40,030
Fixed bank deposits		**131,338**	—	—
Cash and cash equivalents		**821,606**	2,572,275	4,765,981
Total current assets		**17,562,941**	18,067,420	17,099,835
Total assets		**56,932,484**	55,071,845	45,245,349

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

	Note	**31 December 2024** *RMB'000*	31 December 2023 *RMB'000* (Restated) (Note 2(c))	1 January 2023 *RMB'000* (Restated) (Note 2(c))
EQUITY				
Capital and reserves attributable to the equity holders of the Company				
Share capital		**738,830**	723,002	722,378
Share premium and other reserves		**10,148,435**	10,191,859	10,491,900
Retained earnings		**18,164,525**	18,223,203	15,413,303
		29,051,790	29,138,064	26,627,581
Non-controlling interests		**5,356,082**	5,357,035	4,886,711
Total equity		**34,407,872**	34,495,099	31,514,292
LIABILITIES				
Non-current liabilities				
Deferred income tax liabilities		**150,349**	175,725	156,574
Borrowings	14	**5,496,799**	3,299,711	3,288,016
Lease liabilities		**831,625**	843,036	743,074
Other payables	13	**701,967**	559,862	48,189
Total non-current liabilities		**7,180,740**	4,878,334	4,235,853
Current liabilities				
Borrowings	14	**6,143,255**	6,273,644	3,900,053
Trade, bills and other payables	13	**7,132,305**	7,572,011	4,851,915
Contract liabilities		**79,421**	76,591	98,132
Lease liabilities		**71,716**	77,715	44,790
Amounts due to related companies		**1,852,132**	1,505,829	402,889
Current income tax liabilities		**65,043**	192,622	197,425
Total current liabilities		**15,343,872**	15,698,412	9,495,204
Total liabilities		**22,524,612**	20,576,746	13,731,057
Total equity and liabilities		**56,932,484**	55,071,845	45,245,349

NOTES:

1 Summary of material accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set forth below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance, Cap.622.

The consolidated financial statements have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss ("**FVPL**") or other comprehensive income ("**FVOCI**").

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

(a) Amendments to standards adopted by the Group

The Group has applied the following new and amended standards for its annual reporting period commencing 1 January 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKFRS 16	Lease Liability in Sale and Leaseback
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2024 reporting period and have not been early adopted by the Group. These new and amended standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

		Effective for accounting periods beginning on or after
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5	Hong Kong Interpretation 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to HKFRS10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

(c) Change in presentation currency

The consolidated financial statements were presented in Hong Kong Dollars ("HK$") in prior years. Starting from the financial year ended 31 December 2024, the Group has changed its presentation currency for the preparation of its consolidated financial statements from HK$ to RMB. The change in the presentation currency is intended to reflect the fact that most of the business transactions engaged by the Group are settled in RMB and that a significant part of the business presence and the assets of the Group are located in the Mainland China. This enables the shareholders and potential investors of the Company to have a more accurate understanding of the Group's financial performance.

For the purpose of presenting the Group's consolidated financial statements in RMB, the assets and liabilities for the consolidated balance sheet are translated into RMB at relevant the closing rates of exchange at the end of the reporting period. Items in the consolidated statement of comprehensive income and the consolidated statement of cash flows are translated at the average exchange rates for the financial period. The share capital and reserves are translated at historical rates prevailing at the dates of transaction.

The change in the presentation currency have been applied retrospectively with comparative figures restated. The Group presents an additional consolidated balance sheet as at 1 January 2023 due to the change of presentation currency in accordance with HKAS 1 "Presentation of Financial Statements".

(d) Change in accounting policy

As a result of the adoption of the amendments to HKAS 1, the Group changed its accounting policy for the classification of borrowings:

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

Covenants that the Group is required to comply with, on or before the end of the 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."

This new policy did not result in a change in the classification of the Group's borrowings. The Group did not make retrospective adjustments as a result of adopting the amendments to HKAS 1.

3 Revenue and segment information

Revenues recognised during the year are as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Sales of solar glass	**18,820,033**	21,358,573
Solar farm business		
– Sales of electricity	**1,926,702**	1,579,713
– Tariff adjustment	**1,090,580**	1,111,722
	3,017,282	2,691,435
Others		
– Sales of mining products and consumables	**56,683**	73,540
– Other service income	**27,449**	40,119
	84,132	113,659
Total revenue	**21,921,447**	24,163,667

Note:

Management has determined the operating segments based on the reports reviewed by the Executive Directors that are used to make strategic decisions.

The Executive Directors consider the business from product type perspective. Generally, the Executive Directors consider the performance of business of each product type within the Group separately. Thus, the performance of each product type within the Group is an individual operating segment.

For the year ended 31 December 2024, there are two operating segments based on business type: (1) sales of solar glass and (2) solar farm business, which includes solar farm development and solar power generation. The "Other segment" and "Unallocated" mainly include the non-core businesses of the Group such as polysilicon business (which has not yet commenced operations), engineering, procurement and construction services and sales of mining products.

The Executive Directors assess the performance of the operating segments based on a measure of gross profit. The Group does not allocate operating costs to its segments as this information is not reviewed by the Executive Directors.

The revenue from external parties reported to the Executive Directors is measured in a manner consistent with that in the consolidated income statement.

The segment information provided to the Executive Directors for the reportable segments is as follows:

	Year ended 31 December 2024					
	Sales of solar glass	**Solar farm business**	**Other segment**	**Unallocated**	**Inter-segment eliminations**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***	***RMB'000***	***RMB'000***
Segment revenue						
Recognised at a point in time	**18,820,033**	**3,017,282**	**—**	**56,683**	**—**	**21,893,998**
Recognised over time	**—**	**—**	**—**	**27,449**	**—**	**27,449**
Revenue from external customers	**18,820,033**	**3,017,282**	**—**	**84,132**	**—**	**21,921,447**
Cost of sales excluding impairment losses on PPE	**(17,002,128)**	**(986,276)**	**—**	**(67,045)**	**—**	**(18,055,449)**
Gross profit excluding impairment losses on PPE	**1,817,905**	**2,031,006**	**—**	**17,087**	**—**	**3,865,998**
Cost of sales – impairment losses on PPE	**(392,858)**	**—**	**—**	**—**	**—**	**(392,858)**
Gross profit	**1,425,047**	**2,031,006**	**—**	**17,087**	**—**	**3,473,140**
Segment revenue by geographical area						
Mainland China	**14,428,432**	**3,014,389**	**—**	**67,659**	**—**	**17,510,480**
Other areas in Asia	**3,287,712**	**—**	**—**	**—**	**—**	**3,287,712**
North America and Europe	**660,717**	**2,893**	**—**	**16,473**	**—**	**680,083**
Others	**443,172**	**—**	**—**	**—**	**—**	**443,172**
	18,820,033	**3,017,282**	**—**	**84,132**	**—**	**21,921,447**

	Year ended 31 December 2023 (Restated)					
	Sales of solar glass *RMB'000*	Solar farm business *RMB'000*	Other segment *RMB'000*	Unallocated *RMB'000*	Inter-segment eliminations *RMB'000*	Total *RMB'000*
Segment revenue						
Recognised at a point in time	21,358,573	2,691,435	—	73,540	—	24,123,548
Recognised over time	—	—	—	40,119	—	40,119
Revenue from external customers	21,358,573	2,691,435	—	113,659	—	24,163,667
Cost of sales	(16,754,258)	(848,443)	—	(94,801)	—	(17,697,502)
Gross profit	4,604,315	1,842,992	—	18,858	—	6,466,165
Segment revenue by geographical area						
Mainland China	16,441,174	2,688,149	—	84,413	—	19,213,736
Other areas in Asia	4,080,621	—	—	—	—	4,080,621
North America and Europe	820,371	3,286	—	29,246	—	852,903
Others	16,407	—	—	—	—	16,407
	21,358,573	2,691,435	—	113,659	—	24,163,667

Other segment information

	Sales of solar glass *RMB'000*	Solar farm business *RMB'000*	Other segment *RMB'000*	Unallocated *RMB'000*	Inter-segment eliminations *RMB'000*	Total *RMB'000*
Year ended 31 December 2024						
Depreciation charge of property, plant and equipment	**1,173,594**	**752,701**	**1,287**	**4,686**	**—**	**1,932,268**
Depreciation charge of right-of-use assets	**36,722**	**50,044**	**3,025**	**751**	**—**	**90,542**
Amortisation charges of intangible assets	**1,245**	**—**	**—**	**1,353**	**—**	**2,598**
Additions to non-current assets (other than finance lease receivables and deferred income tax assets)	**3,519,422**	**1,368,482**	**479,384**	**104,353**	**—**	**5,471,641**
Year ended 31 December 2023 (Restated)						
Depreciation charge of property, plant and equipment	926,103	638,443	1,894	3,473	—	1,569,913
Depreciation charge of right-of-use assets	27,168	53,582	15	1,232	—	81,997
Amortisation charges of intangible assets	660	—	—	1,352	—	2,012
Additions to non-current assets (other than finance lease receivables and deferred income tax assets)	4,341,826	3,172,925	3,221,668	40,781	—	10,777,200

Assets and liabilities

	Sales of solar glass *RMB'000*	Solar farm business *RMB'000*	Other segment *RMB'000*	Unallocated *RMB'000*	Inter-segment eliminations *RMB'000*	Total *RMB'000*
At 31 December 2024						
Total assets	**30,540,711**	**24,114,283**	**4,851,759**	**3,750,897**	**(6,325,166)**	**56,932,484**
Total liabilities	**11,709,199**	**8,180,249**	**4,643,145**	**4,317,185**	**(6,325,166)**	**22,524,612**
At 31 December 2023 (Restated)						
Total assets	29,504,630	22,895,673	5,336,384	2,341,928	(5,006,770)	55,071,845
Total liabilities	8,854,640	9,773,443	4,810,630	2,144,803	(5,006,770)	20,576,746

Reportable segment assets/(liabilities) are reconciled to total assets/(liabilities) as follows:

	Assets		Liabilities	
	2024	2023	**2024**	2023
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
		(Restated)		(Restated)
Segment assets/(liabilities)	**59,506,753**	57,736,687	**(24,532,593)**	(23,438,713)
Unallocated items:				
Property, plant and equipment	**169,591**	60,811	**—**	—
Right-of-use assets	**43,841**	45,497	**—**	—
Intangible assets	**6,566**	7,918	**—**	—
Prepayments for land use rights and property, plant and equipment	**21,517**	23,276	**—**	—
Finance lease receivables	**179,855**	204,302	**—**	—
Investments accounted for using the equity method	**244,454**	313,737	**—**	—
Inventories	**21,224**	8,008	**—**	—
Trade and bills receivable	**25,949**	9,632	**—**	—
Prepayments, deposit and other receivables	**26,088**	25,425	**—**	—
Contract assets	**10,028**	7,236	**—**	—
Amounts due from related companies	**2,978,720**	1,596,898	**—**	—
Restricted cash	**2,072**	—	**—**	—
Cash and cash equivalents	**13,564**	26,849	**—**	—
Deferred income tax assets	**7,183**	12,339	**—**	—
Current income tax assets	**245**	—	**—**	—
Trade, bills and other payables	**—**	—	**(97,707)**	(109,027)
Contract liabilities	**—**	—	**(5,587)**	(7,287)
Current income tax liabilities	**—**	—	**(287)**	(2,589)
Lease liabilities	**—**	—	**(2,247)**	(2,447)
Amounts due to related companies	**—**	—	**(478,833)**	(141,567)
Deferred income tax liabilities	**—**	—	**(11,366)**	(13,913)
Borrowings	**—**	—	**(3,721,158)**	(1,867,973)
Inter-segment eliminating	**(6,325,166)**	(5,006,770)	**6,325,166**	5,006,770
Total assets/(liabilities)	**56,932,484**	55,071,845	**(22,524,612)**	(20,576,746)

A reconciliation of segment gross profit to profit before income tax is provided as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Segment gross profit	**3,456,053**	6,447,307
Other gross profit	**17,087**	18,858
Total gross profit	**3,473,140**	6,466,165
Other unallocated items:		
Other income	**273,880**	336,408
Other losses - net	**(258,434)**	(208,235)
Selling and marketing expenses	**(126,963)**	(96,868)
Administrative and other operating expenses	**(1,019,345)**	(1,091,469)
Net impairment losses on financial and contract assets	**(15,563)**	(9,048)
Finance income	**23,279**	31,066
Finance costs	**(432,107)**	(348,697)
Share of net profits of investments accounted for using the equity method	**17,411**	25,527
Profit before income tax	**1,935,298**	5,104,849

An analysis of the Group's revenue by segment of its customers is as follows:

Revenue of approximately RMB3,104,941,000 (2023: RMB4,084,980,000) and RMB2,639,389,000 (2023: RMB3,611,359,000) were derived from customer A and customer B from solar glass business, which separately accounted for more than 10% of the Group's revenue for the year ended 31 December 2024 and 2023.

An analysis of the Group's non-current assets other than deferred income tax assets and finance lease receivables by geographical area in which the assets are located is as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
The PRC	**36,098,935**	34,880,083
Others	**2,933,957**	1,789,156
	39,032,892	36,669,239

4 Other income

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Government grants (Note (i))	**123,501**	226,826
Scrap sales (Note (ii))	**106,817**	68,814
Compensation income from suppliers	**13,204**	1,934
Insurance compensation income	**9,802**	2,880
Tariff adjustments for electricity generation from self-used solar power system	**3,474**	15,904
Others (Note (iii))	**17,082**	20,050
	273,880	336,408

Notes:

(i) Government grants mainly represent grants received from The People's Republic of China (the "**PRC**") government in subsidising the Group's certain operating costs and general operations.

(ii) Scrap sales were shown in net amount with the other income at RMB221,087,000 (2023: RMB189,067,000) and other expenses at RMB114,270,000 (2023: RMB120,253,000).

(iii) It mainly represents rental and other miscellaneous income.

5 Other losses - net

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Net fair value gains on financial assets at FVPL	**14,353**	27,177
Foreign exchange losses, net (Note)	**(212,997)**	(156,146)
Losses on disposal of bills receivables at FVOCI	**(46,503)**	(51,259)
Losses on disposal of PPE and early termination of lease, net	**(13,434)**	(28,007)
Others	**147**	—
	(258,434)	(208,235)

Note:

During the year ended 31 December 2024, foreign exchange losses, net included foreign exchange losses of RMB240,211,000 (2023: RMB153,556,000) reclassified from exchange reserve upon termination of RMB-denominated capital loan between group companies.

6 Expenses by nature

Expenses included in cost of sales, selling and marketing expenses, administrative and other operating expenses are analysed as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Auditor's remuneration - audit services	**3,280**	3,411
Amortisation charge of intangible assets	**2,598**	2,012
Depreciation charge of PPE	**1,932,268**	1,569,913
Depreciation charge of right-of-use assets	**90,542**	81,997
Employee benefit expenses (including directors' emoluments)	**1,279,812**	1,054,669
Cost of inventories	**13,782,576**	14,303,445
Other direct operating cost of solar farm	**97,944**	78,955
Construction contracts costs	**13,047**	24,509
Net impairment losses on inventories (Note (i))	**159,330**	1,407
Impairment losses on PPE (Note (ii))	**392,858**	—
Losses from production suspension	**15,805**	—
Payments in relation to short term leases of land and buildings	**3,401**	5,507
Transportation costs	**766,932**	653,320
Research and development expenditures	**635,635**	696,319
Taxes and levies	**165,845**	174,716
Other expenses	**252,742**	235,659
	19,594,615	18,885,839

Notes:

(i) Due to the supply-demand imbalance, the price of solar glass declined sharply in 2024, especially in the second half of the year. As a result, the Group recognised a provision for the write-down of inventories — comprising raw materials, work in progress, and finished goods — totaling RMB162,428,000 (2023: RMB4,702,000) at the end of 2024. This provision was made based on the lower of the cost of and net realisable value of the inventories. Taking into account the reversal of inventory write-down of RMB3,098,000 (2023: RMB3,295,000), the net impairment losses on inventories recognised in the consolidated income statement for the year ended 31 December 2024 amounted to RMB159,330,000 (2023: RMB1,407,000).

(ii) To manage inventory levels more effectively amid the supply-demand imbalance in the solar glass market, certain production facilities within the Group's solar glass segment have ceased operations ahead of their expected useful lives or scheduled maintenance dates. These facilities are pending repairs, refurbishment, and replacement, with minimal recoverable amounts. Accordingly, impairment losses of RMB392,858,000 (2023: nil) were recognised for the year ended 31 December 2024 in respect of these impaired assets.

7 Finance income and costs

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Finance income		
Interest income from bank deposits	**23,279**	31,066
Finance costs		
Interest for lease liabilities	**60,096**	60,974
Interest on borrowings	**447,496**	403,429
	507,592	464,403
Less: Amounts capitalised on qualifying assets	**(75,485)**	(115,706)
	432,107	348,697

8 Income tax expense

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Current income tax		
– PRC corporate income tax ("**CIT**") (Note (iii))	**453,155**	735,657
– Overseas income tax (Note (iv))	**7,724**	73,745
– PRC withholding tax	**84,457**	2,747
– Underprovision/(overprovision) in prior years	**39,729**	(19,815)
	585,065	792,334
Deferred income tax (Note (iv))	**(58,838)**	4,837
Income tax expense	**526,227**	797,171

Notes:

(i) The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and, accordingly, is exempted from payment of the Cayman Islands income tax.

(ii) Hong Kong profits tax has been provided at the two-tiered rate of 8.25% for the first HK$2 million of the estimated assessable profits for one of the Group's subsidiaries in Hong Kong and 16.5% on the remaining estimated assessable profits for the year (2023: same).

(iii) The applicable CIT rate for the Group's subsidiaries in the PRC is 25% except that:

— As at 31 December 2024, three subsidiaries engaging in solar glass business (2023: three) and a subsidiary engaging in solar farm business (2023: one) are qualified as "High and New Technology Enterprise" and can enjoy a preferential CIT rate of 15% (2023: 15%).

— As at 31 December 2024, two subsidiaries engaging in solar glass business (2023: two), a subsidiary engaging in solar farm business (2023: one), a subsidiary engaging in mining products business (2023: one) and a subsidiary engaging in silicon products business (2023: one) (together as "**Encouraged Subsidiaries**") are qualified as "Encouraged Enterprise" in the Catalogue of Industries Encouraged for Foreign Investment in Central and Western Region and can enjoy a preferential CIT rate of 15% (2023: 15%).

Three of the Encouraged Subsidiaries (2023: three) which are located in Guangxi Zhuang Autonomous Region can also enjoy 40% reduction in CIT for five years starting from its first year of revenue generation. As a result, their preferential CIT rates were reduced to 9% (2023: 9%).

— Subsidiaries engaging in the operation and management of solar farms are fully exempted from the CIT for three years starting from its first year of revenue generation, followed by 50% reduction in CIT in next three years. However, their government grants and insurance claims received are subject to the CIT rate of 25% (2023: 25%).

(iv) Taxation on overseas profits mainly include Malaysia income tax which has been calculated on the estimated assessable profits for the year at the standard Malaysia corporate income tax rates of 24% (2023: 24%). The Group's subsidiary in Malaysia is entitled to Investment Tax Allowance ("**ITA**") on qualifying capital expenditures incurred during the eligible period, which can be offset against its assessable profits, subject to the fulfilment of certain specified conditions ("**ITA Conditions**"). Since all ITA conditions have been satisfied during the year ended 31 December 2024, a deferred tax asset of RMB30,628,000 (2023: nil) has been recognised to the extent that future taxable profits are available to utilise the ITA.

9 Dividends

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Interim dividend of 10.0 HK cents (2023: 7.5 HK cents) per share (Note (a))	**827,585**	612,053
Proposed final dividend of nil (2023: final dividend of 15.0 HK cents) per share/Final dividend of 15.0 HK cents for 2023 (Note (b))	**—**	1,237,183

Notes:

(a) An interim dividend for the six months ended 30 June 2024 of 10.0 HK cents (2023: 7.5 HK cents) per share was partially paid in cash and partially settled by shares in respect of scrip dividend whose names appeared on the Register of Members of the Company on 19 August 2024 (2023: 17 August 2023).

(b) The Board resolved not to recommend the payment of final dividend for the year ended 31 December 2024 (2023: 15.0 HK cents per share, amounting to a total dividend of HK$1,336,484,000, equivalent RMB1,237,183,000).

10 Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2024	2023 (Restated)
Profit attributable to equity holders of the Company (RMB'000)	**1,008,233**	3,842,756
Weighted average number of shares in issue (thousands)	**8,944,137**	8,901,738
Basic earnings per share (RMB cents)	**11.27**	43.17

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares comprise of share options.

	2024	2023 (Restated)
Profit attributable to equity holders of the Company (RMB'000)	**1,008,233**	3,842,756
Weighted average number of ordinary shares in issue (thousands)	**8,944,137**	8,901,738
Adjustments for share options (thousands)	**—**	1,954
	8,944,137	8,903,692
Diluted earnings per share (RMB cents)	**11.27**	43.16

Note: Share options granted by a subsidiary of the Group, Xinyi Energy Holdings Limited ("**Xinyi Energy**") during the year ended 31 December 2024 has no dilution impact on earnings per share (2023: no dilution impact).

11 Trade and bills receivables

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Trade receivables (Note (a))	**8,611,010**	7,419,893
Less: Loss allowance (Note (b))	**(69,646)**	(52,665)
Trade receivables, net	**8,541,364**	7,367,228
Bills receivables at amortised cost (Note (c))	**3,050,263**	3,063,198
Less: Loss allowance	**(3,420)**	(3,920)
Bills receivables at amortised cost, net	**3,046,843**	3,059,278
Bills receivables at FVOCI (Note (d))	**280,756**	467,088

Notes:

(a) Trade receivables

Breakdown of trade receivables by segment is as follows:

	Sales of solar glass	**Solar farm business**	**Unallocated**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***
At 31 December 2024				
Sales of solar glass	**3,634,707**	**—**	**—**	**3,634,707**
Sales of electricity	**—**	**211,257**	**—**	**211,257**
Tariff adjustment	**—**	**4,747,320**	**—**	**4,747,320**
Other service revenue	**—**	**—**	**17,726**	**17,726**
Total	**3,634,707**	**4,958,577**	**17,726**	**8,611,010**
At 31 December 2023 (Restated)				
Sales of solar glass	3,158,537	—	—	3,158,537
Sales of electricity	—	214,021	—	214,021
Tariff adjustment	—	4,025,704	—	4,025,704
Other service revenue	—	—	21,631	21,631
Total	3,158,537	4,239,725	21,631	7,419,893

The credit terms granted by the Group to its customers in respect of sales of solar glass are generally from 30 to 90 days. Receivables from sales of electricity were usually settled on a monthly basis by the state grid companies. Tariff adjustment receivables represented the government subsidies on renewable energy to be received from the state grid companies in accordance with the prevailing government policies.

The ageing analysis of the trade receivables based on invoice date is as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
0 to 90 days	**8,245,448**	7,371,057
91 days to 180 days	**272,582**	29,723
181 days to 365 days	**90,099**	8,533
1 to 2 years	**128**	4,749
Over 2 years	**2,753**	5,831
	8,611,010	7,419,893

The ageing analysis of trade receivables of solar farm power generation business based on the Group's revenue recognition policy is as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
0 to 90 days	**447,046**	421,203
91 days to 180 days	**365,812**	376,655
181 days to 365 days	**610,647**	615,158
1 to 2 years	**1,018,719**	918,461
Over 2 years	**2,516,353**	1,908,248
	4,958,577	4,239,725

The carrying amounts of the trade receivables are denominated in the following currencies:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Renminbi ("**RMB**")	**8,306,741**	7,155,057
US dollar ("**US$**")	**301,750**	204,759
Other currencies	**2,519**	60,077
	8,611,010	7,419,893

(b) The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables by segment.

The closing loss allowances for trade receivables of the Group as at 31 December 2024 reconcile to the opening loss allowances as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Loss allowance as at 1 January	**52,665**	45,921
Provision of loss allowance recognised in consolidated income statement – net	**17,587**	8,810
Receivables written off during the year as uncollectible	**(2,053)**	—
Currency translation differences	**1,447**	(2,066)
Loss allowance as at 31 December	**69,646**	52,665

(c) The maturity of bills receivables at amortised cost is within 1 year. As at 31 December 2024, bills receivables of RMB82,189,000 (2023: RMB5,000,000) was pledged as collaterals for obtaining letter of credit facilities in the PRC.

Bill receivables of RMB967,905,000 (2023: RMB999,003,000) was transferred to banks for obtaining bank borrowings. The carrying amounts of bills receivables are denominated in RMB.

(d) Fair value of bills receivables at FVOCI

As at 31 December 2024, bills receivables of RMB2,775,000 (2023: RMB 19,000,000) was pledged as collaterals for obtaining bank acceptance bill.

12 Prepayments, deposits and other receivables

		2024 RMB'000	2023 *RMB'000* (Restated)
Prepayments		**783,781**	1,337,575
Deposits and other receivables		**72,554**	153,833
Other tax receivables (Note)		**1,056,030**	996,125
		1,912,365	2,487,533
Less:	Non-current portion: Prepayments for land use rights and property, plant and equipment	**(415,867)**	(863,211)
Current portion		**1,496,498**	1,624,322
Less:	Loss allowance of deposits and other receivables	**(1,875)**	(3,233)
		1,494,623	1,621,089

Note: Other tax receivables mainly represent value added tax recoverable.

13 Trade, bills and other payables

	2024 ***RMB'000***	2023 *RMB'000* (Restated)
Trade payables (Note (a))	**2,442,951**	1,504,187
Bills payables (Note (b))	**1,035,623**	2,399,871
Trade and bills payables (Note (c))	**3,478,574**	3,904,058
Accruals and other payables (Note (d))	**3,653,731**	3,667,953
Current portion	**7,132,305**	7,572,011
Deferred government grants (Note (e))	**130,000**	130,000
Retention payables for construction of plant and equipment	**571,967**	429,862
Non-current portion	**701,967**	559,862

Notes:

(a) The ageing analysis of the trade payable based on invoice date is as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
0 to 90 days	**1,798,915**	1,230,966
91 days to 180 days	**626,988**	250,760
181 days to 365 days	**10,454**	15,448
Over 1 year	**6,594**	7,013
	2,442,951	1,504,187

(b) The maturity of the bills payables is within 6 months.

(c) The carrying amounts of the Group's trade and bills payables are denominated in the following currencies:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
RMB	**3,341,135**	3,802,529
Other currencies	**137,439**	101,529
	3,478,574	3,904,058

(d) Details of accruals and other payables are as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Payables for PPE	**3,070,909**	3,064,016
Accruals for employee benefits and welfare	**180,919**	202,584
Payables for transportation costs and other operating expenses	**208,558**	141,782
Provision for value added tax and other taxes	**84,034**	147,905
Payables for utilities	**35,487**	40,686
Others	**73,824**	70,980
	3,653,731	3,667,953

(e) The government grants were received from the government in subsidising the Group's purchase of PPE in the PRC. It will be net off against the cost of acquisition when PPE are acquired and are recognised in the consolidated income statement on a straight-line basis over the expected lives of the related assets.

(f) The carrying amounts of trade, bills and other payables approximate their fair values.

14 Borrowings

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Unsecured borrowings	**11,639,790**	9,571,377
Secured borrowings	**264**	1,978
Total borrowings	**11,640,054**	9,573,355

As at 31 December, the Group's borrowings were repayable as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Repayable on demand and within 1 year	**6,143,255**	6,273,644
Between 1 and 2 years	**849,978**	1,577,142
Between 2 and 5 years	**2,206,152**	925,389
Over 5 years	**2,440,669**	797,180
	11,640,054	9,573,355
Less: Non-current portion	**(5,496,799)**	(3,299,711)
Current portion	**6,143,255**	6,273,644

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
RMB	**9,809,059**	3,237,694
Hong Kong dollar	**1,830,995**	6,335,661
	11,640,054	9,573,355

15 Transaction with non-controlling interests

Change of equity interest in Xinyi Energy

The table below sets forth the cash dividends and scrip shares received by Xinyi Power (BVI) Limited ("**Xinyi Power**"), a wholly-owned subsidiary of the Company, in relation to the final dividend distribution for the year ended 31 December 2023 and interim dividend distribution for the six months ended 30 June 2024 by Xinyi Energy ("**XYE Dividend Settlement**"). As a result of the XYE Dividend Settlement, the Company's indirect interest in Xinyi Energy increased from 51.60% to 51.62% during the year ended 31 December 2024.

	Xinyi Power	**Other shareholders of Xinyi Energy**	**Total**
Cash received (RMB'000)			
– Final dividend for the year ended 31 December 2023	102,542	90,011	192,553
– Interim dividend for the six months ended 30 June 2024	45,825	50,028	95,853
Scrip shares received ('000)			
– Final dividend for the year ended 31 December 2023	—	6,346	6,346
– Interim dividend for the six months ended 30 June 2024	63,630	50,089	113,719

Disposal of Solar Farms to Xinyi Energy

During the year ended 31 December 2024, the Group completed the disposals of the below solar farm projects to Xinyi Energy ("**Solar Farm Disposal**"). The disposals were made pursuant to the terms and conditions of the Solar Farm Agreement dated 5 December 2018 entered into between the Company and Xinyi Energy and in accordance with the business delineation between Xinyi Solar as a solar farm developer and Xinyi Energy as a solar farm operator.

		% of equity interest held			**Approved grid-**
Date of disposal	**Company**	**Before disposal**	**After disposal**	**Cash consideration**	**connected capacity**
				RMB million	***MW***
June 2024	Xinchuang Renewable Energy (Lianjiang) Limited	100%	51.60%	140.5	200
September 2024	Xinyun Solar (Qujing) Limited	100%	51.60%	468.6	560
December 2024	Wuhu Xinzhi Renewable Energy Limited	100%	51.62%	67.3	100

The effect of the above transactions with non-controlling interests on the equity attributable to equity holders of the Company during the year ended 31 December 2024 is summarised as follows:

	XYE Dividend Settlement	**Solar Farm Disposal**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
Increase in equity attributable to equity holders of the Company	1,938	140,682	142,620
Decrease in non-controlling interests	(1,938)	(177,900)	(179,838)
Decrease in total equity	—	(37,218)	(37,218)

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The profit performance of the Group decreased significantly in 2024. Such decrease was primarily attributable to the reduced amount of the profit contributions from the solar glass business of the Group. In 2024, the photovoltaic ("**PV**") industry in the People's Republic of China ("**PRC**") faced unprecedented challenges. The global PV installations transitioned from a rapid growth to a steady development. In addition to the trade barriers, the high interest rate environment, and complicated geopolitical conditions, the supply-demand imbalances and the excessive competition led to the significant decreases in the average selling price ("**ASP**") of the solar glass products. Despite these difficulties, the Group's solar glass business achieved a growth in the sales volume, but at reduced gross profit margins. The reduced profit margin, together with the impairment provisions for the suspended production facilities and the inventory write-downs, resulted in a decrease in the amount of the net profit of the Group in 2024 as compared to 2023.

In 2024, the Group recorded revenue of RMB21,921.4 million, representing a decrease of 9.3% as compared to 2023. Profit attributable to equity holders of the Company decreased by 73.8% to RMB1,008.2 million. Basic earnings per share for 2024 were 11.27 RMB cents, compared to 43.17 RMB cents for 2023.

BUSINESS REVIEW

Global PV installations continue to grow steadily

After two years of rapid growth, the global PV installations continued to increase steadily in 2024, but at a slower rate than that in 2023. The growth momentum slowed in major solar economies, except for India, where the growth rate was significantly higher than that in the previous year. Key markets within the European Union ("**EU**"), including Spain, Poland and the Netherlands, experienced contraction in installations, resulting in only a slight increase in the overall PV installations across the EU for the year. While China's PV installations remained at a high level, its growth rate in 2024 declined as compared to the high growth rate in 2023.

The trade barriers, the high interest rate environment, macroeconomic uncertainty and the complicated geopolitical and economic relations have created different challenges and uncertainties to the development of the solar industry in the PRC. As a result, the growth rate of the global PV installations was at a slow pace in 2024, as compared to the unprecedented expansion in 2023.

Given the PV systems have become more affordable, the global PV installations continued to show diversified development. In addition to the traditional major PV markets, such as China, the United States, India, Germany and Brazil, some emerging markets, like countries in the Middle East and Africa, have also experienced a rapid growth in the PV development in recent years. The number of countries installing one gigawatt ("**GW**") of new PV capacity annually is also increasing. The PV power generation is transitioning from a marginal energy source to an important part of the energy system in various countries. Compared to the other fossil and non-fossil energy sources, the competitiveness of the solar power generation is prominent, and its development potential remains immense.

Grid capacity and power curtailment issues to be addressed for further PV installation growth in China

The year of 2024 marked the second consecutive year in which China accounted for more than half of the world's new solar capacity installations. According to the statistics published by the National Energy Administration ("**NEA**"), China's newly installed PV capacity increased 28.3% year-on-year to 277.57GW in 2024, with the utility-scale ground-mounted projects accounting for 159.39GW, up 32.8% year-on-year, and the distributed generation projects accounting for 118.18GW, up 22.7% year-on-year.

Although China's PV installations remained high throughout the year, the grid capacity and the power curtailment issues continued to be the primary adverse factors. The power absorption and the peak-load balancing problems have gradually emerged, leading to the increases in the frequency and the scale of power curtailment in some areas. Due to the uncertainties in the sales volume and the electricity prices, together with the tightening land policies and the rising land costs, many solar project investors have delayed or reduced the amount of their investments, which limited the demand growth of the downstream installation.

The optimisation of the grid structure, effective use of the energy storage facilities, acceleration of the electricity market reforms and the improvement in the market mechanism are important measures to enhance the solar energy utilisation and promote the stable and healthy development of the industry. In the early of 2024, the National Development and Reform Commission and the NEA issued "Guiding Opinions on the High-Quality Development of Distribution Grids under New Circumstances" (《關於新形勢下配電網高品質發展的指導意見》), which proposed the establishment of a new type of power distribution system that is safe, efficient, clean, low-carbon, flexible and integrated intelligently. Once the relevant measures are implemented by various government departments and other organisations, it is believed that they would benefit the development of the solar energy in the long term, enhance the power grid capacity, increase the future development opportunities for PV power generation and promote the sustainable development of the solar value chain.

Supply-demand imbalances led to a sharp decrease in the product prices in the solar industry

The development of the solar industry for 2024 was dominated by the increasing competitions, supply-demand imbalances, decreases in the component prices, consolidation amongst the industry players and widespread trade protectionism.

The rapid growth of the PV market in recent years has led to a significant increase in the capacity across various segments of the solar value chain. By 2024, the rapid expansion of the downstream installations came to a halt, with the demand growth returning to the normal levels. However, the industry supply did not adjust promptly, which resulted in the continued capacity increases. Consequently, the sector was undergoing unprecedented cyclical adjustments because of the supply-demand imbalances, which also caused significant decreases in the component prices. Most segments of the solar value chain have been affected in different degrees, and many companies are suffering losses and financial difficulties. Less efficient companies have begun to reduce their production volume or even shut down their operations, resulting in a wave of consolidation and mergers and acquisitions in the industry.

In response to the widespread losses in the industry and to prevent the “involution” and the vicious competition, the business representatives and the industry associations have engaged in extensive discussions to strengthen the self-regulations in the industry. Their focus is on the optimisation of the market’s survival-the-fittest mechanism by facilitating the fadeout of the outdated and inefficient capacities, promoting technological innovation, and enhancing the improvements in the industry standards. The regulatory authorities have also strengthened their communications with the industry associations and companies for the purpose of supporting these initiatives. The capacity consolidations and adjustments in the PV industry are underway.

Apart from the above, the trade protection measures have also affected the industry’s development. In 2024, some countries imposed or threatened to impose additional tariffs on the imported PV products. However, the overall impact of these additional tariffs on the Group’s solar glass business is expected to be short-term and relatively insignificant. First, if the additional tariffs apply only on the PV modules, the Group may adjust the destinations of its solar glass sales based on the actual location of module production capacity. Second, if the tariffs specifically target the solar glass products, the Group’s production facilities in both China and overseas enable it to respond flexibly to the needs of its customers in different countries.

Timely adjustment of the solar glass production capacity to cope with the market changes

In 2024, the solar glass industry, like other segments of the solar value chain, also faced challenges from the increasing market competitions, significant decreases in the product prices and reducing profit margins. With the industry consolidation and improvement, including measures such as shutting down production lines, delaying the rollout of new capacity and reducing output from the existing production facilities, the industry’s production capacity has been gradually adjusted. The shutdown and the capacity reduction in the second half of 2024 not only fully offset the capacity increase in the first half of the year, but also reduced the industry’s overall capacity to the level below the level at the beginning of the year.

To response to the market changes, the Group has consistently enhanced various measures on risk management and cost controls and adjusted the inventory levels for the purpose of maintaining a balance between production and sales. The Group has also carefully monitored the recovery risks associated with the trade receivables. At the same time, the Group has promptly adjusted its solar glass production capacity. The actual number of the new production lines put into operation in 2024 was reduced from the original plan of six lines (with the daily melting capacity of 6,400 tonnes) to four lines (with the daily melting capacity of 4,400 tonnes). Additionally, the operating capacity has also decreased from 27,000 tonnes/day as of 30 June 2024 to 23,200 tonnes/day as of 31 December 2024. These adjustments enable the Group to reallocate its resources, leverage its technological and cost advantages, enhance overall competitiveness and navigate the market fluctuations effectively.

Despite the complicated and the increasingly competitive market environment in 2024, the Group's solar glass business achieved a 9.6% year-on-year growth in sales volume (in tonnes). However, the revenue and the gross profit (excluding impairment losses on property, plant and equipment ("**PPE**")) of this business segment decreased by 11.9% and 60.5%, respectively, as compared to 2023, primarily due to the significant year-on-year decrease in the ASP of solar glass products, especially in the second half of the year. The decreases in the ASP, along with the impairment provisions for certain solar glass production facilities and inventory write-down, are the major reasons for the decrease in the profit contribution from the Group's solar glass business for 2024.

Steady growth of solar farm business

The Group completed the grid connection of two utility-scale ground-mounted solar farm projects with a total capacity of 300 megawatts ("**MW**") in the first half of 2024, with no additional projects completed in the second half. This is primarily due to a rising trend in the power curtailment in some regions, as well as the increased requirements for the mandatory energy storage and the market-based electricity trading, leading to greater uncertainty in the expected investment returns. As a result, the Group slowed down the construction of new solar power projects in the second half of 2024, while still actively seeking possible projects and conducting preliminary feasibility studies.

During 2024, the Group's solar farm business grew steadily as the grid connected capacity continued to increase. The Group's non-wholly owned subsidiary, Xinyi Energy Holdings Limited ("**Xinyi Energy**"), and its subsidiaries accounted for 80.5% of the electricity generation revenue and other wholly-owned subsidiaries of the Company accounted for remaining of 19.5%. Regarding the disposal of solar farm projects, the Group completed the disposal of the solar farm projects with a total capacity of 860MW to Xinyi Energy in 2024. These transactions were conducted in line with the business delineation between the Group as the solar farm developer and Xinyi Energy as the operator, facilitating a faster replenishment of the working capital deployed in the project development.

As of 31 December 2024, the cumulated approved grid-connected capacity of the Group's solar farm projects was 6,244MW, of which 5,841MW was for the utility-scale ground mounted projects, and 403MW was for the distributed generation projects for the Group's own consumption or sale to the grid. In terms of the ownership, the solar farm projects with a capacity of 4,555MW were held through Xinyi Energy; solar farm projects with a capacity of 1,589MW were held through certain wholly-owned subsidiaries of the Company. A solar farm project with a capacity of 100MW was held by an entity owned as to 50% by the Group.

Expand the financing channels, optimise the bank financing and enhance the financial liquidity

In late December 2024, the Company applied to the National Association of Financial Market Institutional Investors in the PRC to register the proposed issuance of debt financing instruments (the "**Panda Bonds**") Panda Bonds up to RMB3.0 billion. The specific terms have yet to be determined, and the Panda Bonds may be issued in multiple tranches over a period of up to two years following the acceptance of the registration. The proposed issuance of Panda Bonds could provide the Group with an additional source of financing, thereby optimising the Group's capital structure. In addition, as a significant portion of the Group's assets, operations and revenues are denominated in RMB, the Panda Bonds can also serve as a natural hedge against fluctuations in the exchange rate of RMB, which in turn reduces the Group's exposure to foreign exchange-related risks. As of the date of this announcement, the Group has not received the approval for the issuance of the Panda Bonds.

During 2024, the Group continued to re-finance the Hong Kong dollar bank loans by RMB bank loans, taking advantage of the low RMB borrowing rates as compared to those of Hong Kong dollars or US dollars. As a result, the proportion of the RMB bank loans increased from 33.8% as of 31 December 2023 to 84.3% as of 31 December 2024. Additionally, the share of the long-term bank loans rose from 34.5% as of 31 December 2023 to 47.2% as of 31 December 2024, contributing to improved financial liquidity.

Due to the persistently high interest rates on the Hong Kong dollar loans, some of the RMB-denominated capital loans previously provided by the Company's Hong Kong subsidiaries to its PRC subsidiaries were terminated in 2024, in order to repay the Hong Kong bank loans. This internal fund allocation has not affected the Group's consolidated net assets; however, the related foreign exchange loss of RMB240.2 million, previously recorded in the foreign exchange reserves on the consolidated balance sheet, was reclassified to the consolidated income statement, thereby impacting the Group's net profit for 2024.

As of 31 December 2024, the amount of RMB-denominated capital loans provided by the Hong Kong subsidiaries to the PRC subsidiaries that remained outstanding was RMB2,955.3 million. The corresponding foreign exchange loss of RMB341.3 million has been included in the foreign exchange reserves. Going forward, the foreign exchange differences related to these outstanding RMB-denominated capital loans will continue to be recorded in the foreign exchange reserves and reclassified to the consolidated income statement at the time of the loan termination.

FINANCIAL REVIEW

Despite the complicated and challenging business environment in 2024, the Group's sales volume of solar glass products still grew by 9.6%. However, due to the imbalance of supply and demand in the solar industry and intensive competitions, the product prices declined significantly, resulting in a revenue and gross profit (excluding impairment losses on PPE) decrease of 11.9% and 60.5%, respectively, from the solar glass segment compared to 2024. Additionally, the impairment provisions for suspended production facilities and inventory write-downs further reduced the performance of this segment. Although the Group's solar farm business maintained steady growth, it could not offset the impact of decreasing profits from the solar glass business, resulting in a decrease in the Group's overall profit for 2024 compared to 2023.

Revenue

Revenue for the year ended 31 December 2024 was mainly derived from two core business segments, namely, the sales of solar glass and the solar farm business.

Revenue – By Product

	Year Ended 31 December					
	2024		2023		Increase/(Decrease)	
	RMB million	***% of revenue***	*RMB million (Restated)*	*% of revenue*	*RMB million*	*%*
Sales of solar glass	**18,820.0**	**85.9**	21,358.6	88.4	(2,538.5)	(11.9)
Solar farm business	**3,017.3**	**13.8**	2,691.4	11.1	325.8	12.1
Unallocated	**84.1**	**0.4**	113.7	0.5	(29.5)	(26.0)
Total external revenue*	**21,921.4**	**100.0**	24,163.7	100.0	(2,242.2)	(9.3)

* The sum of the individual amounts may not be the same as the actual total due to rounding.

Solar Glass Revenue – By Geographical Area

	Year Ended 31 December					
	2024		2023		Increase/(Decrease)	
	RMB million	***% of revenue***	*RMB million (Restated)*	*% of revenue*	*RMB million*	*%*
Mainland China	**14,428.4**	**76.7**	16,441.2	77.0	(2,012.7)	(12.2)
Other areas in Asia	**3,287.7**	**17.5**	4,080.6	19.1	(792.9)	(19.4)
North America and Europe	**660.7**	**3.5**	820.4	3.8	(159.7)	(19.5)
Others	**443.2**	**2.4**	16.4	0.1	426.8	2,601.1
Total solar glass revenue*	**18,820.0**	**100.0**	21,358.6	100.0	(2,538.5)	(11.9)

* The sum of the individual amounts may not be the same as the actual total due to rounding.

For the year ended 31 December 2024, the Group's revenue from sales of solar glass decreased by 11.9% year-on-year to RMB18,820.0 million. The decrease was mainly attributable to the significant drop in the ASP, partially offset by the increase in sales volume.

The global PV installations in 2024, while slower than in the previous two years, still showed a notable increase. To capitalise on these market opportunities, the Group continued to expand its solar glass production capacity, especially in the first half of 2024. With this expansion and proactive marketing strategies, the Group's sales volume of solar glass (in term of tonnage) increased by 9.6% year-on-year in 2024, despite intense market competition.

In terms of the geographic distribution of solar glass sales, there was no significant change compared to the previous year. Overseas sales and sales in Mainland China accounted for 23.3% (2023: 23.0%) and 76.7% (2023: 77.0%), respectively, of the Group's total solar glass sales in 2024. The geographic mix of the Group's solar glass sales was generally consistent with the distribution of the global solar module production capacity. However, sales revenue from both domestic and international markets declined due to a significant decreases in the ASP. Furthermore, the trade barriers resulting from the geopolitical conflicts had a considerable impact on the solar glass demand from the Southeast Asia, leading the Group to actively explore other emerging markets such as Turkey and countries in the Middle East and South America.

In 2024, the solar glass prices exhibited a general downward trend. The market prices began to decrease in May 2024, with significant price decreases occurring in the second half of 2024, resulting in a percentage of decreases that was rarely seen in the recent years. The significant price decreases were primarily driven by a slowdown in the demand growth, coupled with a continued increase in the supply side. This imbalance between the supply and demand led to the market prices dropping below the cost for many producers. In the second half of 2024, the solar glass industry accelerated its capacity adjustments through cold repairs and reduction in the production volume, leading to the reduction in the industry supply. As a result, the decreases in the product prices gradually stabilised by the end of the year.

The Group's electricity generation revenue for the year ended 31 December 2024 was mainly derived from the solar farms located in the PRC as shown below.

	Approved grid-connected capacity		
	As at 31 December 2024	As at 30 June 2024	As at 31 December 2023
	MW	*MW*	*MW*
Utility-scale ground-mounted solar farms			
Anhui	**2,037**	2,037	1,737
Hubei	**980**	980	980
Guangdong	**750**	750	750
Yunnan	**560**	560	560
Guangxi	**500**	500	500
Others (Tianjin, Henan, Hebei, etc.)	**914**	914	914
Sub-total	**5,741**	5,741	5,441
Commercial distributed generation projects	**78**	78	78
Total	**5,819**	5,819	5,519
Utility-scale ground-mounted solar farms			
Total number of solar farms	**61**	61	59
Weighted average feed-in-tariff ("**FiT**") * (RMB/kWh)	**0.57**	0.57	0.59

* The weighted average FiT rate is proportionally weighted according to the base FiT (after taking into account the possible deduction of tariff adjustment on solar farm projects not included in the First Qualified Project List (as defined below)) and the approved grid-connection capacity of each solar farm and is provided for information purposes only. The actual prices of electricity sold by some solar farms were determined in accordance with market-based trading mechanisms.

The amount of sales revenue from the solar farm segment increased steadily by 12.1% from RMB2,691.4 million in 2023 to RMB3,017.3 million in 2024. Given the uncertainty surrounding the project investment returns, the Group has slowed the development and construction of the new solar farm projects. After achieving its annual target of 300MW of new grid connections in the first half of 2024, the Group has not connected any new solar farms to the grid. The increase in the sales revenue was mainly attributable to the new capacity increase during the first half of 2024 and the full-year contribution from the capacity added in 2023, partially offset by the lower weighted average FiT. In 2024, the electricity tariffs in most regions of the PRC decreased in different degrees. This, coupled with a gradual increase in the proportion of market-based electricity trading and power curtailment issues, has added uncertainty on revenue for this segment.

Similar to other solar farm operators in the PRC, the Group has experienced delays in receiving the government subsidies related to the electricity generation of its subsidised solar farm projects. As of 31 December 2024, the Group's outstanding tariff adjustment (subsidy) receivable amounted to RMB4,747.3 million. Receivables from sales of electricity are generally settled on a monthly basis by state grid companies, while tariff adjustment (subsidy) receivables are settled in accordance with prevailing government policies. As of 31 December 2024, the Group had subsidised solar farm projects with a total approved capacity of 2,174MW, of which 1,244MW was included in the "Announcement on Publishing the List of the First Batch of Renewable Energy Generation Subsidy Compliant Projects" (《關於公佈第一批可再生能源發電補貼合規項目清單的公告》) (the "**First Qualified Project List**") published on 28 October 2022.

Gross profit

Gross profit decreased by RMB 2,993.0 million, or 46.3%, from RMB 6,466.2 million in 2023 to RMB 3,473.1 million in 2024. Overall gross margin fell to 15.8% (2023: 26.8%). This decline was primarily driven by a reduction in profit contribution from the solar glass business, which fully offset the increase from the solar farm business.

The decline in the profit contribution from the solar glass business was primarily attributable to (i) significant decreases in the ASP compared to the previous year; (ii) impairment losses on PPE of RMB392.9 million; and (iii) provision for the write-down of inventories amounting to RMB159.3 million based on the lower of cost and net realisable value. Such decline was partially offset by (i) a reduction in procurement costs for certain raw materials and energy, such as soda ash, silica sand, and natural gas and (ii) efficiency improvements achieved through the ramp-up of new capacity, tighter cost controls, and streamlined operations.

The imbalance between the supply and demand resulted in a sharp reversal of market conditions, putting significant pressure on the profit performance of the Group's solar glass business in the second half of 2024, especially in the fourth quarter. This challenging environment has also prompted the Group to recognise the provision for inventory write-down and the impairment losses on certain solar glass production facilities which have suspended operations before their expected useful lives or scheduled maintenance. These facilities have minimal recoverable amounts and are awaiting repair, refurbishment, and replacement. A strategic reduction in the production capacity could help the Group manage its inventory more effectively and enhance its overall competitiveness.

As affected by the decreases in the ASP, the provision for inventory write-down and the impairment losses on production facilities, the gross profit contribution from this segment decreased by 69.0% year-on-year to RMB1,425.0 million in 2024. The table below sets forth the calculation of the gross profit and gross profit margin of the Group's solar glass segment for the two years ended 31 December 2024.

Sales of solar glass	**2024**	2023
	RMB'million	*RMB'million*
		(Restated)
Revenue	**18,820.0**	21,358.6
Cost of sales excluding impairment losses on PPE	**(17,002.1)**	(16,754.3)
Gross profit excluding impairment losses on PPE	**1,817.9**	4,604.3
Cost of sales - impairment losses on PPE	**(392.9)**	—
Gross profit	**1,425.0**	4,604.3
Gross profit margin excluding impairment losses on PPE	**9.7%**	21.6%
Gross profit margin	**7.6%**	21.6%

For the Group's solar farm business, gross profit contribution increased by 10.2% to RMB2,031.0 million in 2024 (2023: RMB1,843.0 million). The segment's gross profit margin decreased to 67.3% in 2024 (2023: 68.5%), primarily due to: (i) loss of electricity revenue stemming from grid consumption issues and (ii) increased electricity costs related to the use of energy storage equipment.

Other income

During the year, the Group's other income decreased by RMB62.5 million to RMB273.9 million, as compared to the RMB336.4 million recorded in 2023. The decline was mainly due to the decrease in government grant income, partially offset by the increases in scrap sales, compensation income from suppliers and insurance compensation income.

Other losses - net

Other losses, net increased by RMB50.2 million to RMB258.4 million in 2024 from RMB208.2 million in 2023. Other losses – net in 2024 mainly comprised: (i) foreign exchange losses, net of RMB213.0 million (2023: RMB156.1 million); (ii) losses on disposal of bills receivable at fair value through other comprehensive income of RMB46.5 million (2023: RMB51.3 million); and (iii) net fair value gains on financial assets at fair value through profit or loss of RMB14.4 million (2023: RMB27.2 million).

The foreign exchange losses, net in 2024 included currency translation differences of approximately RMB240.2 million (2023: RMB153.6 million) reclassified from exchange reserve upon termination of RMB-denominated capital loan between the group companies.

Selling and marketing expenses

The Group's selling and marketing expenses rose from RMB96.9 million in 2023 to RMB127.0 million in 2024, primarily driven by higher sales volume and increased in-house storage and logistics costs. The ratio of selling and marketing expenses to solar glass sales revenue was 0.7% in 2024 (2023: 0.5%).

Administrative and other operating expenses

Administrative and other operating expenses decreased by RMB72.1 million, or 6.6%, from RMB1,091.5 million in 2023 to RMB1,019.3 million in 2024. The decrease was mainly attributable to the decrease in research and development expenses of RMB60.7 million and staff costs of RMB19.0 million, which was partially offset by the increase in other miscellaneous expenses. Because of the decrease in revenue and the relatively fixed nature of certain expenses, the ratio of administrative and other operating expenses to revenue increased slightly from 4.5% in 2023 to 4.6% in 2024.

Finance costs

Finance costs increased from RMB348.7 million (or RMB464.4 million before capitalisation) in 2023 to RMB432.1 million (or RMB507.6 million before capitalisation) in 2024. The increase was mainly due to the increase average bank borrowings, partially offset by the decrease in interest rates. As loans borrowed in RMB comprised a larger portion of the Group's total bank borrowings during the year, the weighted average interest rate of the Group's bank borrowings decreased compared to the previous year.

During the year, interest expense of RMB75.5 million (2023: RMB115.7 million) was capitalised in the cost of solar glass, solar farms and polysilicon production facilities under construction. These capitalised amounts will depreciate together with the related assets over their estimated useful lives.

Share of net profit of investments accounted for using the equity method

In 2024, the Group's share of net profit of investments accounted for using the equity method was RMB17.4 million (2023: RMB25.5 million). The profit contribution from these investments was mainly derived from a 100MW solar farm project in Lu'an, Anhui Province, China, in which the Group has a 50% equity stake.

Income tax expense

Income tax expense decreased from RMB797.2 million in 2023 to RMB526.2 million in 2024. The decrease was primarily attributed to a lower profit contribution from the solar glass business, partially offset by an increase in tax expenses from the solar farm business and the payment of withholding tax for dividend distribution from subsidiaries in the PRC. The increase in tax expenses of the solar farm segment was mainly due to the expiration of income tax exemption/reduction period for certain solar farms and the payment of withholding tax on dividend distributions from certain subsidiaries in the PRC.

The Group's overall effective income tax rate rose from 15.6% in 2023 to 27.2% in 2024. This increase was primarily attributed to (i) a higher profit contribution from the solar farm business in 2024 compared to 2023, which was subject to a higher tax rate than the solar glass business and (ii) the payment of withholding tax for dividend distribution from subsidiaries in the PRC.

EBITDA and net profit

In 2024, the Group's EBITDA (earnings before interest, taxation, depreciation and amortisation) amounted to RMB4,392.8 million, representing a decrease of 38.2%, as compared to RMB7,107.5 million in 2023. The EBITDA margin (calculated on the basis of total revenue for the year) was 20.0% in 2024, compared to 29.4% in 2023.

Net profit attributable to equity holders of the Company in 2024 was RMB1,008.2 million, representing an decrease of 73.8% compared to RMB3,842.8 million in 2023. Net profit margin attributable to equity holders of the Company decreased to 4.6% in 2024 from 15.9% in 2023, mainly due to: (i) the decrease in profit contribution of solar glass business; (ii) impairment losses on solar glass production facilities; (iii) provision for inventory write-down; and (iv) increase in net losses on foreign exchange.

Financial resources and liquidity

In 2024, the Group's total assets increased by 3.4% to RMB56,932.5 million and shareholders' equity decreased by 0.3% to RMB29,051.8 million. As of 31 December 2024, the current ratio stood at 1.14, indicating stability compared to 1.15 on 31 December 2023.

For the year ended 31 December 2024, the Group's main sources of funding included cash generated from the Group's operating activities and credit facilities provided by banks. Net cash provided by operating activities amounted to RMB1,235.1 million (2023: RMB5,305.0 million). The decrease was mainly due to reduced profit contribution from solar glass business and increase in inventories. Net cash used for investing activities amounted to RMB3,769.2 million (2023: RMB9,418.8 million). The capital expenditure for 2024 was mainly used for the expansion of solar glass capacity, investment in new solar farm projects and construction of the polysilicon production facility in Yunnan Province, the PRC. Net cash generated from financing activities amounted to RMB773.0 million (2023: RMB1,974.0 million). During the year, the Group secured new borrowings of RMB13,493.1 million and repaid borrowings of RMB11,241.2 million. The Group's total dividends paid in cash to the shareholders of the Company and non-controlling interests in subsidiaries in 2024 amounted to RMB1,723.9 million (2023: RMB1,758.2 million).

As at 31 December 2024, the Group's net debt gearing ratio (calculated as borrowings less cash and cash bank balances divided by total equity) was 31.0% (2023: 17.5%). The change in the Group's gearing ratio was mainly due to the decrease in cash and bank balances and the increase in borrowings.

BUSINESS OUTLOOK

With the cost advantages and continuous technological advancement, the solar energy continues to enjoy a clear competitive edge over the other sources of renewable energy and fossil fuels. The industrial production and the daily electricity consumption, the increasing use of electric vehicles, the advancement in the artificial intelligence and the operation of data centers will increase the electricity consumption. Combining the solar power with the energy storage technology and the smart grids can effectively address this growing electricity demand and support the sustainable development.

The solar industry has not yet overcome its challenges, with the product prices across all segments of the solar value chain decreasing below the cost for many companies. Reducing the production capacity to address the supply-demand imbalance, stabilise the market prices and enhance the overall profitability are the consensus and the top priority of the industry. However, the different conditions across different segments along the solar value chain make the timeline for the capacity adjustments uncertain. It remains to be seen whether these adjustments will occur through the market mechanisms, the closure of the excess production capacity or the implementation of self-regulatory measures such as price limits and production restrictions.

Currently, the development of the solar glass industry is still hindered by the imbalance in the supply and demand as well as the intensive competitions. Furthermore, as the first quarter is traditionally a low season for the solar installations, it is anticipated that the Group's business environment will remain challenging in the short term. However, a new outlook may emerge as the industry capacity adjustments take effect. Due to the energy consumption and emission controls, as well as the implementation of the capacity replacement policies and measures, the increase in the production capacity in the solar glass industry is restricted. More encouragingly, the industry's capacity decreased in the second half of 2024 in response to the market conditions. This development is expected to continue in the early of 2025, gradually narrowing the gap to the supply-demand equilibrium point.

The Group's planning on the solar glass production capacity depends on the changes in the global demand for the PV installations, the development of the solar value chain and its own development strategy. As of the end of 2024, the Group's total daily melting capacity for solar glass was 32,200 tonnes, comprising 23,200 tonnes in operation, 4,000 tonnes that the Group preliminarily plans to commence operation in 2025 subject to the market conditions, and 5,000 tonnes pending further arrangements. Concerning the new production bases, two solar glass production lines are currently under construction in Indonesia and are expected to commence production in the first quarter of 2026. Meanwhile, the development of the new production bases in Yunnan and Jiangxi Provinces in China has been put on hold. The Group will continue to explore other suitable locations for its new production capacity in China and overseas and adjust the construction timeline and commissioning schedule for the new production capacity according to market trend.

The current industry cycle adjustment is unprecedented in its scope and impact. The Group will maintain a prudent business management approach, closely monitor the financial risks, control the costs and the capital expenditures, and enhance the efficiency improvement measures to strengthen its competitive edge. The gradual fadeout of the outdated capacity signifies that the solar glass industry will experience a more stable and healthy development. As a leading enterprise in the industry, the Group will continue to leverage its strengths to enhance the product quality control and technological innovation, optimise its product portfolio, foster a greater customer recognition and support, and contribute to the industry's high-quality development.

As for the solar farm business, the Group will adhere to the principle of quality and will give due consideration to investment return when evaluating new investment projects. However, the increase in the mandatory energy storage and the market-based electricity sales requirements, along with the land supply constraints and the grid connection issues, have created uncertainty to the project investment returns. Consequently, the Group has not yet established a new grid connection capacity target for 2025.

The construction of the Group's polysilicon production facilities in Yunnan Province, the PRC, has been substantially completed and preparatory work has entered into the final stage. Currently, the Group has no plan to expand its polysilicon production capacity. Any future polysilicon investment plans will only be considered after the successful commissioning of the existing production capacity in light of the prevailing market conditions and the Group's overall business development strategy.

The global transition to the green energy will continue to increase the use of the solar power. While it is difficult to estimate how long it will take for the PV industry to adjust and integrate, the Board is confident in the long-term prospects of the PV industry and the sustained healthy growth of the Group's business. The Group will continue to uphold its corporate mission of "Leading Green New Energy" and promote the parallel, sustainable and high-quality development in its solar glass and solar farm businesses for the propose of generating long-term economic value to its shareholders.

CAPITAL EXPENDITURES AND COMMITMENTS

The Group incurred capital expenditures of RMB4,705.2 million for the year ended 31 December 2024 which were primarily used in the expansion and upgrade of solar glass production capacity, the construction of polysilicon manufacturing facility and the development of new solar farm projects. Capital commitments contracted for but not incurred by the Group as of 31 December 2024 amounted to RMB1,121.5 million, which were mainly related to the addition of new solar glass production facilities, development and construction of the solar farm projects and the balance payment for the construction of polysilicon production complex.

PLEDGE OF ASSETS

As of 31 December 2024, bills receivables of RMB82.2 million (2023: RMB5.0 million) was pledged as collaterals for obtaining letter of credit facilities in the PRC. Bills receivables of RMB2.8 million (2023: RMB19.0 million) was pledged as collaterals for obtaining bank acceptance bill. Bills receivables of RMB967.9 million (2023: RMB999.0 million) was transferred to banks for obtaining bank borrowings.

CONTINGENT LIABILITIES

As of 31 December 2024, the Group did not have any significant contingent liabilities.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES

Save as disclosed in note 15 to this announcement, there was no material acquisition and disposal of subsidiaries and associated companies during the year ended 31 December 2024.

EVENTS AFTER THE REPORTING PERIOD

No significant event has taken place subsequent to 31 December 2024 and up to the date of this announcement.

TREASURY POLICIES, EXPOSURE TO FLUCTUATION IN FOREIGN EXCHANGE RATES

The presentation currency of the Group's consolidated financial statements and the functional currency of its main subsidiaries are both RMB, while the Company's functional currency is HKD. Since most of the Group's business transactions are settled in RMB and the majority of its assets are located in the PRC, the Group is not significantly exposed to foreign exchange risk.

Currency risk is partly associated with the Group's solar glass segment, where certain revenues and operating expenses of subsidiaries are denominated in currencies like the USD and Malaysian Ringgit. Fluctuations in the exchange rates of these currencies during the translation of results or the repatriation of earnings, equity investments, or loans may affect the Group's financial performance.

The Group faces additional foreign exchange risk associated with its bank borrowings. Specifically, while nearly all revenue from its solar farm operations is denominated in RMB, a portion of its bank borrowings is in HKD. To mitigate foreign exchange risk and capitalise on the interest rate differences between HKD and RMB bank borrowings, the Group has gradually increased the proportion of RMB bank borrowings, raising it from 33.8% as of 31 December 31 2023 to 84.3% as of 31 December 2024.

The Group seeks to minimise currency exposure primarily through natural hedging and does not engage in speculation regarding currency movements for asset and liability management. Decisions to hedge foreign currency risk are evaluated periodically based on the Group's exposure and anticipated fluctuations in the foreign exchange market. The Group has not encountered any significant difficulties or liquidity issues due to currency exchange fluctuations. For the year ended 31 December 2024, the Group did not utilise any financial instruments for hedging purposes, except for converting a bank loan in other currency into RMB debt using cross-currency swaps.

EMPLOYEES AND REMUNERATION POLICY

As of 31 December 2024, the Group had about 9,645 full-time employees, with 8,211 based in Mainland China and 1,434 in other territories. The total staff costs, including the emoluments of the Directors, amounted to RMB1,279.8 million for the year ended 31 December 2024.

The Group maintains good working relationship with its employees and provides training when necessary to keep its employees informed of the latest information on developments of its products and production processes. Remuneration packages offered to the Group's employees are generally competitiveness and are reviewed on a regular basis. Apart from basic remuneration and the statutory retirement benefit scheme, discretionary bonuses may be provided to selected employees taking into consideration the performance of the relevant employee and the overall performance of the Group.

SHARE OPTION SCHEME

Pursuant to the share option scheme adopted by the Company in June 2014, an aggregate of 18,700,000 share options were granted to selected employees and an executive Director in March 2024. The share options are valid from 28 March 2024 to 31 March 2028. One third of the share options would be vested on each of 31 December 2024, 2025 and 2026 if the relevant grantee has satisfied the conditions of vesting as stated in the letter of grant.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

For the year ended 31 December 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

The Directors confirmed that the Company has complied with the applicable code provisions in the Corporate Governance Code (the "**Code**") set forth in Part 2 of Appendix C1 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") for the year ended 31 December 2024 save for the below deviation.

Pursuant to code provision C.2.1 of the Code, the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Dr. LEE Yin Yee, S.B.S. is the Chairman of the Group and Mr. LEE Shing Put, B.B.S. (“**Mr. Lee**”) is the Vice Chairman and the Chief Executive Officer of the Group. The Chairman is responsible for managing and providing leadership to the Board and ensuring that the Group has maintained strong and effective corporate governance practices and procedures. Mr. Lee has performed both of the roles as the Vice Chairman and the Chief Executive Officer of the Group. However, the Board considers that since Mr. Lee has been working in the Group for more than a decade and is familiar with the business operations of the Group, vesting both of the roles of the Vice Chairman and the Chief Executive Officer in Mr. Lee can facilitate the smooth and efficient execution of the business strategy of the Group. Furthermore, the Board considers that the balance of power and authority between the Board and the management of the Company will not be impaired as Mr. Lee will only be one of the two Vice Chairmen of the Group alongside the Chairman of the Group. Under the supervision of the Board which comprises four executive Directors, two non-executive Directors and three independent non-executive Directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and the Shareholders as a whole.

REVIEW BY AUDIT COMMITTEE

The audit committee (the “**Audit Committee**”) has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2024. The members of the Audit Committee of the Board are Ms. LEONG Chong Peng, Mr. LO Wan Sing, Vincent and Mr. KAN E-ting, Martin, all of them are independent non-executive Directors. Ms. LEONG Chong Peng is the chairperson of the Audit Committee.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted The Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set forth in Appendix C3 to the Listing Rules as the code of conduct for securities transactions by the Directors. Having made specific enquiries to the Directors, all Directors confirmed that they had complied with the required standard of dealings as set forth in the Model Code throughout the year ended 31 December 2024.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this announcement, the Company has maintained sufficient public float with at least 25% of the shares held by the public as required under the Listing Rules.

PUBLICATION OF ANNUAL REPORT

The annual report of the Company for the year ended 31 December 2024 containing all the information required by Appendix D2 to the Listing Rules and other applicable laws and regulations will be published on the websites of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Company in due course.

SCOPE OF WORK OF AUDITOR

The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

FINAL DIVIDEND

The Board did not recommend the payment of final dividend for the year ended 31 December 2024.

AGM AND CLOSURE OF REGISTER OF MEMBERS

The AGM will be held on Friday, 30 May 2025. The register of members of the Company will be closed from Tuesday, 27 May 2025 to Friday, 30 May 2025, both days inclusive, during which period no transfer of shares will be registered. In order to determine the entitlement to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 26 May 2025.

On behalf of the Board
Xinyi Solar Holdings Limited
Dr. LEE Yin Yee, S.B.S.
Chairman

Hong Kong, 28 February 2025

As of the date of this announcement, the Board comprises two non-executive Directors, namely Dr. LEE Yin Yee, S.B.S. (Chairman) and Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P. (Vice Chairman), four executive Directors, namely, Mr. LEE Shing Put, B.B.S. (Vice Chairman and Chief Executive Officer), Mr. LEE Yau Ching, Mr. LI Man Yin and Mr. CHU Charn Fai, and three independent non-executive Directors, namely Mr. LO Wan Sing, Vincent, Mr. KAN E-ting, Martin and Ms. LEONG Chong Peng.

This announcement will be published on the websites of the Stock Exchange at www.hkexnews.hk and Xinyi Solar at www.xinyisolar.com.