

新特能源股份有限公司

Xinte Energy Co., Ltd.

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

Stock code : 1799

2025

INTERIM REPORT



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Corporate Profile

DIRECTORS

Executive Directors

Mr. Zhang Jianxin (*Chairman*)
Mr. Yang Xiaodong
Ms. Huang Fen (*Appointed on 29 April 2025*)
Mr. Hu Weijun
Ms. Kong Ying (*Resigned on 14 March 2025*)

Non-executive Directors

Mr. Zhang Xin
Mr. Huang Hanjie

Independent Non-executive Directors

Mr. Cui Xiang
Mr. Chen Weiping
Mr. Tam, Kwok Ming Banny

SUPERVISORS

Mr. Chen Qijun (*Chairman*)
Mr. Han Shu
Mr. Hu Shujun
Mr. Guo Hao
Mr. Wang Shufeng (*Appointed on 14 February 2025*)
Mr. Cao Huan (*Removed on 14 February 2025*)

AUDIT COMMITTEE

Mr. Tam, Kwok Ming Banny (*Chairman*)
Mr. Cui Xiang
Mr. Chen Weiping
Mr. Zhang Xin
Mr. Huang Hanjie

NOMINATION COMMITTEE

Mr. Cui Xiang (*Chairman*)
Mr. Chen Weiping
Mr. Tam, Kwok Ming Banny
Mr. Zhang Jianxin
Ms. Huang Fen (*Appointed on 29 April 2025*)
Ms. Kong Ying (*Resigned on 14 March 2025*)

REMUNERATION AND ASSESSMENT COMMITTEE

Mr. Cui Xiang (*Chairman*)
Mr. Chen Weiping
Mr. Tam, Kwok Ming Banny
Mr. Hu Weijun
Mr. Huang Hanjie

STRATEGY COMMITTEE

Mr. Yang Xiaodong (*Chairman*)
Mr. Zhang Jianxin
Mr. Cui Xiang
Mr. Chen Weiping
Mr. Zhang Xin

JOINT COMPANY SECRETARIES

Ms. Zhang Juan
Ms. Chan Yin Wah

AUTHORIZED REPRESENTATIVES

Mr. Tam, Kwok Ming Banny
Ms. Chan Yin Wah

AUDITOR

SHINEWING Certified Public Accountants LLP

Certified Public Accountants

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the PRC

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Ganquanpu Economic and Technological

Development Zone (Industrial Park)

Urumqi, Xinjiang

the PRC

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STOCK CODE

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Definitions

In this report, unless the context otherwise requires, the following terms and expressions have the meanings as set forth below:

“30%-controlled company”	has the meaning as ascribed to it under the Listing Rules
“A Share(s)”	ordinary share(s) proposed to be issued by the Company under the Proposed A Share Offering and subscribed in Renminbi
“A Share Listing”	the proposed initial public offering of not exceeding 300,000,000 A Shares by the Company, which are intended to be listed on the main board of the Shanghai Stock Exchange, the offering was terminated in December 2024
“ABC Financial”	ABC Financial Asset Investment Co., Ltd. (農銀金融資產投資有限公司), a limited liability company incorporated in the PRC, which is wholly-owned by Agricultural Bank of China Limited
“Articles of Association”	the articles of association adopted by the Company, as amended from time to time
“associate(s)”	has the meaning as ascribed to it under the Listing Rules
“Audit Committee”	Audit Committee of the Board of the Company
“Board”	the board of Directors of the Company
“CASBE”	China Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC
“China” or “PRC”	the People’s Republic of China, excluding, for the purpose of this report, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “Xinte Energy”, “we” or “us”	Xinte Energy Co., Ltd. (新特能源股份有限公司), a company with limited liability incorporated in the PRC on 20 February 2008, which was transformed into a joint stock limited company on 16 October 2012, the H shares of which are listed on the Main Board of the Stock Exchange (Stock code: 1799)
“Connected Person(s)”	has the meaning as ascribed to it under the Listing Rules
“Connected Transaction(s)”	has the meaning as ascribed to it under the Listing Rules
“Controlling Shareholder(s)”	has the meaning as ascribed to it under the Listing Rules
“DC”	direct current (the unidirectional flow of electric charge)

“Director(s)”	a director (or all directors) of the Company
“Domestic Share(s)”	ordinary share(s) in the Company’s share capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“Employee Share Ownership Scheme”	the 2022 employee share ownership scheme implemented by the Company, which was terminated as of the Latest Practicable Date
“Factoring Company”	Tianjin Sanyang Silu Commercial Factoring Co., Ltd.* (天津三陽絲路商業保理有限公司), a company incorporated in the PRC with limited liability on 26 January 2022, and it is held by TBEA as to 100% equity interest and is a connected person of the Company as at the date of this report
“General Meetings”	the annual general meetings, extraordinary general meetings and class meetings of the Company
“Group”	the Company and its subsidiaries
“GW”	gigawatt, a unit of power. 1GW = 1,000MW
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with nominal value of RMB1.00 each which are listed on the Main Board of the Stock Exchange and are subscribed for and traded in Hong Kong dollars
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“ICBC Financial”	ICBC Financial Asset Investment Co. Ltd. (工銀金融資產投資有限公司), a company incorporated in the PRC with limited liability, which is wholly-owned by Industrial and Commercial Bank of China Limited
“kW”	kilowatt, a unit of power. 1kW = 1,000 watts
“kWh”	kilowatt hour, the unit of measurement for calculating the quantity of power production output. 1kWh is the work completed by a kilowatt generator running continuously for one hour at the rated output
“Latest Practicable Date”	19 September 2025, being the latest practicable date prior to the printing of this report for including certain information

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
“MW”	megawatt, a unit of power. 1MW = 1,000kW
“MWh”	megawatt hour, the unit of measurement for calculating the quantity of power production output. 1MWh is the work completed by a megawatt generator running continuously for one hour at the rated output
“NDRC”	National Development and Reform Commission of the PRC
“NEA”	the National Energy Administration of the PRC
“Nomination Committee”	Nomination Committee of the Board of the Company
“on-grid tariff”	the selling price of electricity for which a power generating project can sell the electricity it generated to the power grid companies, usually denominated in RMB/kWh
“Participant(s)”	participant(s) of the Employee Share Ownership Scheme
“Partnerships” or “Shareholding Platforms”	the 11 limited partnerships established by the Participants of the Employee Share Ownership Scheme to hold the Domestic Shares
“percentage ratios”	has the meaning ascribed to that term in Chapter 14 of the Listing Rules
“Province”	a province or, as the context requires, a provincial level autonomous region or municipality under the direct supervision of the central government of the PRC
“PV”	photovoltaic
“R&D”	research and development
“Remuneration and Assessment Committee”	Remuneration and Assessment Committee of the Board of the Company
“Reporting Period”	the six months ended 30 June 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

“Share(s)”	share(s) in the share capital of the Company with a nominal value of RMB1.00 each, including Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“State Council”	the State Council of the PRC
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategy Committee”	Strategy Committee of the Board of the Company
“Subsidiary(ies)”	has the meaning as ascribed to it under the Listing Rules
“Sunoasis”	TBEA Xinjiang Sunoasis Co., Ltd. (特變電工新疆新能源股份有限公司), a joint stock company incorporated in the PRC on 30 August 2000 and a 91.26% owned subsidiary of the Company (previously translated as TBEA Xinjiang New Energy Co., Ltd.) as at the Latest Practicable Date
“Supervisor(s)”	a supervisor (or all supervisors) of the Company
“Supervisory Board”	the supervisory board of the Company
“SVG”	Static VAR generator
“TBEA”	TBEA Co., Ltd. (特變電工股份有限公司), a joint stock company incorporated in the PRC with limited liability on 26 February 1993 and listed on the Shanghai Stock Exchange (Stock code: 600089). As of the Latest Practicable Date, TBEA directly and indirectly held 66.61% equity interest of the Company, and is the Controlling Shareholder of the Company
“TBEA Group”	TBEA and its subsidiaries and its associates (excluding the Group)
“Tianchi Energy”	Xinjiang Tianchi Energy Co., Ltd.* (新疆天池能源有限責任公司), a company with limited liability incorporated in the PRC on 29 November 2002, in which TBEA directly holds 85.78% equity interest as at the Latest Practicable Date
“TW”	terawatt, a unit of power. 1TW=1,000GW
“Xinjiang”	Xinjiang Uygur Autonomous Region
“Xinjiang Tebian”	Xinjiang Tebian Group Co., Ltd. (新疆特變電工集團有限公司), a company with limited liability incorporated in the PRC on 27 January 2003, holding 6.07% equity interest in our Company directly and indirectly as of the Latest Practicable Date. Xinjiang Tebian is a Connected Person of the Company as it is a 30%-controlled company of Mr. Zhang Xin, a Director of the Company



Definitions

“Xinjiang Tebian Group”	Xinjiang Tebian and its associates
“Zhundong Energy”	Xinjiang Zhundong TBEA Energy Co., Ltd.* (新疆准東特變能源有限責任公司), a company incorporated in the PRC with limited liability on 25 September 2013. As at the Latest Practicable Date, Tianchi Energy holds 51% of its equity interest and the Company holds 49% of its equity interest
“%”	per cent

* For identification purpose only

Management Discussion and Analysis

I. REVIEW OF INDUSTRY DEVELOPMENT STATUS

Renewable energy has generally maintained a favorable trend of rapid development, high utilization, and high-quality consumption in recent years, playing a vital role in ensuring power supply and promoting energy transformation. In the first half of 2025, China's cumulative installed capacity of wind and PV power generation exceeded that of thermal power generation historically, and the new energy industry has made a significant contribution to building a diversified and green energy supply.

Despite the long-term positive development trend of the new energy industry, the supply and demand imbalance in various links of the PV industry has not notably improved, and the PV industry chain has entered a period of extensive adjustment where manufacturers were trapped in the dilemma of involutioned competition, with product prices remaining sluggish and short-term operating pressures being prominent.

1. Review of Major Policies in relation to China's New Energy Industry

- In January 2025, the NDRC and the NEA jointly issued the Notice on Deepening the Market-oriented Reform of New Energy Feed-in Tariff to Promote High-quality Development of New Energy* (《關於深化新能源上網電價市場化改革促進新能源高質量發展的通知》) (“**Document No. 136**”). The document proposes deepening the market-oriented reform of new energy feed-in tariff to give play to the decisive role of the market in resource allocation and promote the quality development of new energy, based on the overall principles of market-oriented price establishment, fair responsibility sharing, differentiation between existing and incremental power, and coordinated policies. This will promote the full entry of on-grid electricity generated from new energy sources, such as wind power and solar power, into the electricity market, with prices established through market transactions. Simultaneously, a price difference settlement mechanism will be established outside the market to support the sustainable development of new energy, so as to differentiate between existing and incremental projects to implement policies by category, maintain policy consistency for existing projects, and stabilize the expected returns of incremental projects. The document also proposes strengthening the coordination between reform and environmental optimization, resolutely rectifying improper interference in the electricity market, prohibiting unreasonable cost allocations to new energy sources, and prohibiting the use of energy storage as a precondition for the approval, grid connection, and on-grid of newly built new energy projects. As of the end of June 2025, provinces and autonomous regions such as Liaoning, Hebei, Guangdong, Guangxi, Inner Mongolia, and Xinjiang have implemented Document No. 136 and officially released specific implementation plans.



Management Discussion and Analysis

- In February 2025, the NEA issued the Guiding Opinions on Energy Work in 2025* (《2025年能源工作指導意見》), which outlines the goals and key tasks for 2025 around energy security and green, low-carbon transformation. The overall goal is to reach over 3.6 billion kW of total installed power generation capacity nationwide by 2025, with an increase of over 200 million kW of new energy power generation capacity, generating approximately 10.6 trillion kWh of electricity. By 2025, the proportion of non-fossil energy power generation capacity will increase to approximately 60%, and the proportion of non-fossil energy in total energy consumption will increase to approximately 20%. The government will actively and steadily promote the green, low-carbon transformation of new energy by promoting the construction of the second and third batches of large-scale wind power and PV power bases in the “dessert, gobi and barren land” and integrated water, wind, and solar power bases in major river basins. The layout of new energy and key industries will be coordinated where renewable energy substitution initiatives will be implemented in key sectors such as industry and transportation and support will be provided for the construction of zero-carbon industrial parks and integrated PV buildings, promoting local consumption of new energy. The government will deepen energy reform and legal construction, innovate new energy pricing mechanisms and consumption methods, and promote the full participation of new energy in the market to realize its transformation from guaranteed purchase to market-oriented consumption; study and formulate direct green power supply policy measures, issue policy documents for high-quality development of the renewable energy green electricity certificate (“**Green Certificate**”) market, implement green electricity consumption promotion mechanisms, improve the consumption responsibility weight system to strengthen user responsibility, and establish a market mechanism that adapts to the participation of new energy storage and virtual power plants.
- In March 2025, the State Council released the 2025 Government Work Report of the State Council, which points out that in 2025, the government shall actively and steadily promote carbon peak and carbon neutrality, carry out the second batch of national carbon peak pilot projects in a solid manner, and establish a number of zero-carbon parks and zero-carbon factories; accelerate the construction of a dual-control system for carbon emissions, expand the industry coverage of the national carbon emissions trading market, carry out carbon emissions statistics and accounting, establish a product carbon footprint management system and a carbon labeling certification system to actively respond to green trade barriers; facilitate the construction of new energy bases in the “dessert, gobi and barren land”, develop offshore wind power, and coordinate the construction of local consumption and external transmission channels.

- In March 2025, the NDRC, the NEA, the Ministry of Industry and Information Technology of the People's Republic of China, the Ministry of Commerce of the People's Republic of China, and the National Data Administration jointly issued the Opinions on Promoting the High-Quality Development of the Renewable Energy Green Electricity Certificate Market* (《關於促進可再生能源綠色電力證書市場高質量發展的意見》). The opinions provide detailed guidance on stabilizing the market supply of Green Certificate, improving the Green Certificate trading mechanism, expanding the application scenarios of Green Certificate, and promoting the internationalization of Green Certificate applications. It proposes that by 2027, the Green Certificate market trading system and other systems will become basically complete, achieving national smooth flow of the Green Certificate; by 2030, the Green Certificate market system will become more robust and be operating efficiently, the international application of Green Certificate will be effectively realized, and the environmental value of green electricity will be reasonably reflected, giving strong support to the development of renewable energy and green transformation of the economy and society.
- In May 2025, the NDRC and the NEA jointly issued the Notice on Matters Concerning Orderly Promotion of the Development of Direct Green Power Supply* (《關於有序推動綠電直連發展有關事項的通知》). The document clarifies that direct green power supply refers to a model under which new energy sources such as wind power, solar power, and biomass power generation are not directly connected to the public grid but instead green power is supplied to a single power user through direct lines, enabling clear physical traceability of the supplied power. The document also regulates the safety management, grid connection, dispatching operation, trading, and pricing mechanisms of direct green power supply projects. The direct green power supply projects aim to meet the green energy needs of enterprises and enhance the local consumption of new energy. They are constructed and operated according to the principles of safety priority, environmental friendliness, equal rights and responsibilities, and source-load matching, assuming safety, economic, and social responsibilities in a fair and reasonable manner. The direct green power supply projects enjoy equal market status. The proportion of annually self-generated and self-consumed electricity from new energy as a whole shall be no less than 60% of total available power generation and no less than 30% of total electricity consumption. This proportion of self-generation and self-consumption electricity should be continuously increased, reaching no less than 35% by 2030.

2. Review of Development Status of the Polysilicon Industry

According to the statistics of the Silicon Industry Branch of China Nonferrous Metals Industry Association (中國有色金屬工業協會硅業分會), the polysilicon production capacity in the PRC reached approximately 596,000 tons in the first half of 2025, representing a significant year-on-year decrease of 44.1%. The price of polysilicon in the PRC experienced a downward trend under pressure with the average price of N-type refeeding materials decreasing from RMB41,500/ton (tax included) at the beginning of January 2025 to RMB34,700/ton (tax included) at the end of June 2025, representing a decrease of 16.4%. The price of products has been running below the average cost of the industry for over one year, and the polysilicon industry was in a state of sustained loss.



Management Discussion and Analysis

3. Review of Development Status of the PV and Wind Power Generation Industry in the PRC

According to the statistics from the NEA, the newly installed power generation capacity in China was approximately 293GW in the first half of 2025, representing a significant increase as compared to approximately 140GW for the corresponding period of last year. As of the end of June 2025, China's cumulative installed power generation capacity was approximately 3,648GW, representing a year-on-year increase of 18.7%, of which the cumulative installed power generation capacity of wind power and solar power reached 1,673GW, exceeding the cumulative installed capacity of thermal power historically.

The newly installed PV power capacity in China was approximately 212GW in the first half of 2025, representing a year-on-year increase of approximately 107%. As of the end of June 2025, China's accumulative installed PV power generation capacity reached approximately 1,100GW.

The newly installed wind power capacity in China was approximately 51GW in the first half of 2025, representing a year-on-year increase of approximately 99%. As of the end of June 2025, the accumulative installed wind power capacity in China reached approximately 573GW.

II. PRINCIPAL BUSINESS OPERATIONS OF THE GROUP

During the Reporting Period, the Group reasonably formulated its polysilicon production plan, deepened efforts to improve the quality and reduce the cost of polysilicon production, and continued to vigorously advance the development, construction and operation of PV and wind power resources as well as the key equipment manufacturing business. The two thermal power projects in which the Group has equity participation have become its new revenue contributing units, further enhancing the Group's operational resilience and risk-resistance capability.

During the Reporting Period, the Group achieved revenue from operations of RMB7,310.83 million, net loss of RMB307.36 million and the net loss attributable to shareholders of the listed company of RMB256.29 million, representing a reduction in loss as compared to the net loss attributable to shareholders of the listed company of RMB887.02 million for the corresponding period of last year.

1. Polysilicon Production

In response to the severe challenges that PV industry was in deep adjustment, the Group had carried out controlled production, coupled with economic calculations and overhaul and technological transformation plans. In the first half of 2025, the Group achieved an output of 33,600 tons of polysilicon, representing a decrease of approximately 77% over the corresponding period of last year. The Group actively implemented the measures to improve the quality and reduce the cost such as refined parameter management, process optimization, the improvement of equipment performance and digital intelligence empowerment, achieving the decrease in production cost per unit of polysilicon production capacity of approximately 18% as compared to the corresponding period of last year. The Group has carried out technical transformation of energy saving, quality improvement and cost reduction in polysilicon equipment, process technology, digital control and others to lower costs and enhance the quality of our products; the Group has conducted daily maintenance on production facilities, carried out overhaul projects and hazard elimination to implement full-cycle management of equipment and ensure that production facilities are capable of long-term stable and safe operation.

2. Development, Construction, Operation of PV and Wind Power Resources

In the first half of 2025, the Group closely focused on national policy guidance and adhered to centralized, distributed and decentralized power plant development models in parallel. At the same time, the Group thoroughly analyzed the spirit of Document No. 136, tracked and scientifically analyzed the direction of mechanism-based electricity pricing policies in various regions, and enhanced the scientific and effective nature of decisions on project investment. The Group optimized the structure of the self-operated new energy power plants and improved the asset quality and operational efficiency of the plants. By establishing a comprehensive cost control ledger and project review dashboard, the Group achieved visual evaluation and correction of core parameters from project proposal stage, assessment stage, and concept stage. The Group optimized cost reduction mechanisms and completed process system optimization during the construction drawing phase, continuously driving cost reduction in project construction. During the Reporting Period, the Group accelerated the construction of 3GW new energy projects in Zhundong. After the completion of the project construction, part of the green power generated by the project can be used for the polysilicon production of the Group through market-based trading, giving full play to the advantages of the new energy circular economy industry chain. During the Reporting Period, the completed total installed capacity of PV and wind power construction projects of the Group which had been recognized as revenue amounted to approximately 1.35GW.



Management Discussion and Analysis

In the first half of 2025, the Group continued to improve the economic benefits of the operation of new energy power plants. By leveraging digital transformation, centralized monitoring and unmanned operation, the Group constantly reduced operation and maintenance costs. Through the application of digital preventive maintenance technology, the Group effectively minimized power generation loss. By actively participating in green power trading and cross-provincial power transactions, the Group improved electricity prices, thereby increasing revenue and creating benefits for the operation of power plants. As of the end of June 2025, the Group had over 4GW of operated power plants projects which have achieved grid-connected power generation, achieved an increase of approximately 17% in on-grid electricity as compared to the corresponding period of last year.

3. Manufacturing of Key Equipment Including Inverters, SVG and FDC Converter Valves

In the first half of 2025, the Group continued to increase its focus on the development of manufacturing business for key equipment such as inverters, SVG and FDC Converter Valves. The Group continued to improve the flexibility and standardization of power electronic products and scene matching by promoting production line automation and less humanized equipment transformation and upgrading, strengthening the lean control, digital management, and modular production levels of the production process, and promoting the improvement of human efficiency and optimal allocation of resources in multiple dimensions to achieve quality improvement, cost reductions, and efficiency enhancement. The Group continued to drive forward the construction of its Xi'an digital factory project, which, upon completion, will add new automatic inverter production lines and warehousing and logistics systems, further enhancing the production capacity of inverter products. At the same time, the Group focused on customer needs and continuously increased its efforts to explore markets. The shipment of the inverter further increased over the corresponding period of last year, and the Group won approximately 70% bids for inverters of large central enterprises customers, ranking among the top in terms of capacity in the domestic market; the contract volume of inverters and other products increased steadily in overseas market. The innovative solutions launched by the energy storage business were highly recognized by customers, and major breakthroughs were achieved for PV and energy storage products in markets such as Europe, Africa and South America; $\pm 50\text{kV}/200\text{MW}$ modular commutated converter equipment developed by the Group has successfully won the bid in terms of flexible DC products, which will become the world's first equipment used in high-voltage and high-power DC transmission scenarios, achieving a new breakthrough in the commercial application of flexible DC converter technology.

4. Technology and R&D

In terms of polysilicon production, focusing on key issues such as improvement in product quality and overall system energy consumption reduction, the Group carried out a number of technology innovation work and core technology research in core links such as cold hydrogenation, distillation and purification, reduction, products sorting. Through the deployment of intelligent control systems, flow field simulation, process optimization, and digital equipment upgrades, the Group effectively achieved quality improvement, efficiency enhancement, energy conservation, and consumption reduction. As of the end of the Reporting Period, the proportion of the Group's secondary and above polysilicon electronic products had significantly increased compared to the end of 2024, and the integrated power consumption per unit dropped by approximately 7% compared to the end of 2024.

In terms of the development, construction and operation of wind power and PV resources and the manufacturing of key equipment, the Group closely followed the national policy guidance, conducted technological innovation around new products, new technologies and new formats to enhance the industry's value chain. In terms of product innovation, the new generation of string inverters developed by the Group has successfully passed the verification on the adaptability to weak power grid and fault ride-through capability in harsh environments, and the product performance and grid adaptability have been significantly improved; the newly released air-cooled energy storage converters, integrated energy storage converters and boosters, and grid SVG products met grid application requirements in active grid support, fault ride-through and environmental adaptability, achieving market access; the new generation of 4.5kV/2kA flexible DC converter valves developed by the Group achieved dual reduction of losses and peak shutdown, filling a gap in domestically produced products at this power level. In terms of new formats and technologies, the Group continued to carry out technological innovation around application scenarios such as industrial and commercial energy storage, zero-carbon parks and household PV storage, completed research on innovative solutions such as new industrial and commercial intelligent PV storage systems, intelligent household PV storage solutions, intelligent reactive power compensation solutions, fully compatible PV storage hybrid solutions and remote operation and maintenance, and released new technologies, significantly improving the stability of products in various scenarios and meeting the diverse needs of customers.



Management Discussion and Analysis

In the first half of 2025, a total of 40 patents submitted by the Group were granted. As at 30 June 2025, the Group had a total of 899 domestic patents, 2 international patents, and participated in the preparation of 185 issued standards, including 6 international standards, 60 national standards and 52 industry standards. During the Reporting Period, the energy internet and power electronics laboratory of the Group obtained the CNAS qualification certificate and passed the laboratory qualification and management system certification audit by domestic and foreign third-party authoritative certification institutions, and obtained the laboratory TMP authorization certificate, indicating that the testing level of the Group in products such as PV inverters, energy storage converters has reached international leading standards.

5. Safety and Environmental Protection Construction

The Group consistently adheres to the “people and safety-oriented” philosophy, pays close attention to the construction of HSSE (health, safety, security and environmental protection) system and standardization, deepens on-site management and safety informatization application, conducts safety management training for all employees and continuously consolidates the safety development foundation. During the Reporting Period, the Group had no major safety production and environmental protection accidents and incidents.

During the Reporting Period, the Group implemented multiple measures to comprehensively strengthen safety production defenses. In terms of safety management system development, the Group systematically strengthened the safety team mechanism and institutional construction through measures such as increasing investment in safety management, improving safety performance incentive mechanisms and optimizing the staffing of the HSSE, providing a solid organizational foundation for safety production management. In terms of risk prevention and control, the Group continuously improved the dual prevention mechanism of hierarchical and multicolor management and control of risks and investigation and management of hidden hazards, strictly grasped on-site production safety management, focused on the key areas such as the essential safety improvement of process and equipment, accurate identification and verification of major hazard sources, standard special hazardous operation management and integrated management and control of relevant parties, so as to provide timely warnings and eliminate hidden hazards of accidents from the source, significantly enhancing the comprehensive capacity for accident prevention and control. In terms of digital safety enhancements, with the realization of the digitalization of basic safety management, intelligent operation control, accurate risk warning and less humanized on-site inspection as the starting point, the Group promoted the digital and intelligent transformation of safety management through digital empowerment and lean management and control and other information means, effectively improving the predictable and controllable level of production safety management, and preventing the hidden risks of production safety from a technical perspective.

6. Talent Team Building

During the Reporting Period, the Group adhered to a customer-centric approach, strengthened the construction of high-quality professional teams that responds quickly to market demands, makes rapid technological breakthroughs and achieves quick results transformation with the purpose of cultivating innovation momentum and supporting business strategic needs and overcoming core weaknesses, actively introduced and cultivated leading professionals and technical backbones, optimized the talent structure and effectively implemented the strategy of strengthening the enterprise with talents with accurately positioning the gaps in high-end talents in the key fields of production technology, equipment, safety, new processes and market development; the Group conducted in-depth internal talent reviews and comprehensive assessments, optimized the performance management system and the construction of staff skill development platform, specifically strengthened the training of current and reserve talents, enhanced career development guidance and systematically built a comprehensive talent service and guarantee system for attracting, cultivating, using and retaining talents, continuously improved the overall quality of the talent team and employee satisfaction, and fully stimulated the vitality of the organization.

III. OPERATING RESULTS AND ANALYSIS

Financial Review

Revenue

The Group generates revenue mainly from the R&D, production and sales of high-purity polysilicon, the development, construction and operation of wind power and PV power plants, and the R&D, manufacturing and sales of electrical equipment such as inverters, SVG and FDC Converter Valves. For the six months ended 30 June 2025, the revenue of the Group was RMB7,310.83 million, representing a decrease of RMB4,432.27 million or 37.74% from RMB11,743.10 million in the corresponding period of last year, which was mainly attributable to the decline in the sales and price of polysilicon of the Group during the Reporting Period. The revenue of each business segment is as follows:

For the six months ended 30 June 2025, the revenue of the polysilicon segment was RMB978.72 million, representing a decrease of RMB4,888.38 million or 83.32% from RMB5,867.11 million in the corresponding period of last year, which was mainly attributable to the decline in the sales and price of polysilicon of the Group during the Reporting Period.

For the six months ended 30 June 2025, the revenue of the construction of wind power and PV power plants segment was RMB3,340.56 million, representing an increase of RMB133.91 million or 4.18% from RMB3,206.64 million in the corresponding period of last year.



Management Discussion and Analysis

For the six months ended 30 June 2025, the revenue of the operation of wind power and PV power plants segment was RMB1,305.87 million, representing an increase of RMB64.14 million or 5.17% from RMB1,241.73 million in the corresponding period of last year, which was mainly attributed to an increase in the scale of operation projects of the Group's wind power and PV power plants that have generated electricity during the Reporting Period, resulting in a corresponding increase in power generation.

For the six months ended 30 June 2025, the revenue of the electrical equipment segment was RMB1,463.78 million, representing an increase of RMB395.15 million or 36.98% from RMB1,068.64 million in the corresponding period of last year, which was mainly attributable to the increase in the sales of the Group's electrical equipment such as inverters during the Reporting Period.

Cost

For the six months ended 30 June 2025, the costs incurred by the Group was RMB6,642.31 million, representing a decrease of RMB3,807.71 million or 36.44% from RMB10,450.03 million in the corresponding period of last year, which was mainly due to the decrease in sales of polysilicon of the Group during the Reporting Period. The cost incurred by each business segment is as follows:

For the six months ended 30 June 2025, the costs incurred by the polysilicon segment was RMB2,011.85 million, representing a decrease of RMB4,311.23 million or 68.18% from RMB6,323.08 million in the corresponding period of last year, which was mainly due to the decrease in sales of polysilicon of the Group during the Reporting Period and the enhanced cost control, which resulted in the decrease in unit cost of polysilicon as compared to the corresponding period of last year.

For the six months ended 30 June 2025, the cost incurred by the construction of wind power and PV power plants segment was RMB2,662.24 million, representing an increase of RMB75.96 million or 2.94% from RMB2,586.29 million in the corresponding period of last year.

For the six months ended 30 June 2025, the cost incurred by the operation of wind power and PV power plants segment was RMB560.65 million, representing an increase of RMB52.16 million or 10.26% from RMB508.49 million in the corresponding period of last year, which was mainly due to the increase in the scale of wind power and PV power plants operation projects of the Group which have generated electricity, resulting in a corresponding increase in cost during the Reporting Period.

For the six months ended 30 June 2025, the cost incurred by the electrical equipment segment was RMB1,228.07 million, representing an increase of RMB480.66 million or 64.31% from RM747.41 million in the corresponding period of last year, which was mainly due to the increase in the sales of the Group's electrical equipment such as inverters, and the Group's adoption of new accounting policies since the 2024 accounting year in accordance with the requirements of the MOF, which adjusted the warranty expenses from selling expenses item to operating cost item for accounting, resulting in a corresponding increase in cost during the Reporting Period.

Gross profit and gross profit margin

For the six months ended 30 June 2025, the gross profit of the Group was RMB668.52 million, representing a decrease of RMB624.56 million or 48.30% from RMB1,293.08 million in the corresponding period of last year. For the six months ended 30 June 2025, the comprehensive gross profit margin was 9.14%, decreasing by 1.87 percentage points from 11.01% in the corresponding period of last year, which was mainly due to a decrease in the sales prices of polysilicon during the Reporting period which outweigh the impact of the decrease in polysilicon unit costs.

Selling expenses

For the six months ended 30 June 2025, the selling expenses of the Group were RMB265.82 million, representing a decrease of RMB17.16 million or 6.07% from RMB282.98 million in the corresponding period of last year, which was mainly due to the Group's adoption of new accounting policies since the 2024 accounting year in accordance with the requirements of the MOF, resulting in the adjustment of warranty expenses from selling expenses item to operating cost item for accounting purposes.

Administrative expenses

For the six months ended 30 June 2025, the administrative expenses of the Group were RMB356.17 million, representing a decrease of RMB95.87 million or 21.21% from RMB452.04 million in the corresponding period of last year, which was mainly due to the decrease in staff remuneration of the Group during the Reporting Period.

R&D expenses

For the six months ended 30 June 2025, the R&D expenses incurred by the Group were RMB157.14 million, representing a decrease of RMB24.03 million or 13.26% from RMB181.17 million in the corresponding period of last year, which was mainly due to the fact that some new R&D projects of the Group were approved late during the Reporting Period, and the R&D expenses incurred during the Reporting Period were relatively less.

Financial expenses

For the six months ended 30 June 2025, the financial expenses of the Group were RMB280.70 million, representing an increase of RMB0.26 million or 0.09% from RMB280.44 million in the corresponding period of last year.

Investment income

For the six months ended 30 June 2025, the investment income of the Group was RMB422.20 million, as compared to the investment loss of RMB7.56 million in the corresponding period of last year, which was mainly due to the gains realized from the two thermal power plants in which the Group has equity participation and the gains realized from the disposal of certain PV power and wind power plants by the Group during the Reporting Period.



Management Discussion and Analysis

Income tax expenses

For the six months ended 30 June 2025, the income tax expenses of the Group were RMB72.14 million, as compared to the income tax expenses of RMB93.40 million in the corresponding period of last year, which was mainly due to the recognition of deferred income tax assets by the Group based on deductible losses in the corresponding period of last year.

Net loss attributable to shareholders of the listed company

For the six months ended 30 June 2025, the net loss attributable to shareholders of the listed company was RMB256.29 million, representing a decrease in loss of RMB630.73 million as compared with that of RMB887.02 million in the corresponding period of last year, which was mainly due to the increased profit contribution from the construction and operation of wind power and PV power plants segment of the Group during the Reporting Period, and the increase of controlling interests of Sunoasis, a subsidiary of the Company operating the above segments, by the Company since June 2024, as well as the investment income realized from the two thermal power plants invested by the Group.

Profit or loss attributable to non-controlling interests

For the six months ended 30 June 2025, the net loss attributable to non-controlling interests incurred by the Group was RMB51.07 million, as compared to the net profit attributable to non-controlling interests of RMB39.20 million in the corresponding period of last year, which was mainly due to the repurchase of shares in Sunoasis held by ABC Financial and BoCom Financial Asset Investment Co., Ltd. (交銀金融資產投資有限公司) by the Company in June 2024, resulting in a decrease in profit attributable to non-controlling interests during the Reporting Period as compared to the corresponding period of last year.

Cash flows

Net cash flow generated from operating activities

For the six months ended 30 June 2025, the net cash outflow generated from operating activities of the Group was RMB856.53 million, as compared to the net inflow of RMB775.16 million in the corresponding period of last year, which was mainly due to the decline in the price of polysilicon, which remained below its production costs during the Reporting Period, resulting in the Group's sales revenue being less than procurement expenses.

Net cash flow generated from investing activities

For the six months ended 30 June 2025, the net cash outflow from investing activities of the Group was RMB2,311.86 million, representing a decrease of RMB3,519.31 million or 60.35% from RMB5,831.17 million in the corresponding period of last year, which was mainly due to the maturity of the Group's deposit-based financial products and the receipt of investment returns during the Reporting Period.

Net cash flow generated from financing activities

For the six months ended 30 June 2025, the net cash inflow generated from financing activities of the Group was RMB6,145.51 million, representing an increase of RMB5,209.31 million or 556.43% from RMB936.20 million in the corresponding period of last year, which was mainly due to the injection of capital by ABC Financial and ICBC Financial to subsidiaries of the Company during the Reporting Period and the decrease in the expenditure on debt repayment of the Group as compared to the corresponding period of last year.

Operation fund

	As at 30 June 2025	As at 31 December 2024
Balance of cash and cash equivalents (RMB)	8,479,525,486.68	5,494,514,947.49
Gearing ratio*	37.31%	30.55%
Inventory turnover rate (times)	1.45	4.74
Inventory turnover days (days)	124.01	76.01

* Gearing ratio was calculated as net debt divided by total equity, where net debt is total interest-bearing liabilities less restricted cash and cash and cash equivalents.

The required capital fund for the construction and operation of wind power and PV power plants in which the Group is engaged generally accounts for 20%–30% of the total investment of a project, the rest of which is mainly bank loans that could materially affect the Group's gearing ratio.

The Group's wind power and PV power plants under construction and completed pending for transfer were included in the inventory item, and whether the wind power and PV power plants can be transferred in time is significantly important for the Group's inventory turnover rate and turnover days.

By virtue of the stable cash inflow from the daily business operations and financing business, the Group has sufficient resources to support future expansion.

Capital expenditure

For the six months ended 30 June 2025, the major capital expenditure of the Group included RMB3,277.48 million of expenditure for the purchases of fixed assets and intangible assets as well as other long-term assets.

Pledge of assets

As at 30 June 2025, the Group's long-term borrowings with an amount of RMB18,264.88 million were secured or pledged by the Group's assets including fixed assets, construction in progress and receivables, and were guaranteed by TBEA, a controlling shareholder of the Company, and the Company with an amount of RMB366.00 million.

Capital liquidity

As at 30 June 2025, current assets of the Group amounted to RMB28,251.78 million, among which, RMB11,956.86 million was monetary capital; RMB6,038.01 million was inventories and contract assets; RMB6,615.15 million was accounts receivable, notes receivable and receivables financing, primarily consisting of the receivables of construction and operation of wind power and PV power plants and receivables of sales of inverters; and RMB3,567.35 million was other receivables, prepayments and other current assets, primarily consisting of margin and deposit, prepayments and value-added tax credits. As at 30 June 2025, current liabilities of the Group amounted to RMB25,470.93 million, including RMB15,469.59 million of accounts payable and notes payable, primarily consisting of payables for purchase of equipment, laboring, materials, coal fuels necessary for daily operations; RMB2,557.12 million of contract liabilities, primarily consisting of the prepayments for sales of polysilicon; RMB520.86 million of other payables, primarily consisting of temporary receipts payable, deposits payable and deposits and advances payable, etc.; RMB332.31 million of taxes payable, primarily consisting of various taxes to be paid; and RMB2,331.55 million of short-term borrowings. As at 30 June 2025, apart from RMB1,000.00 million of the Group's borrowings which bore fixed interest rates, the remaining borrowings bore interest at floating rates.

As at 30 June 2025, net current assets of the Group amounted to RMB2,780.85 million, representing a decrease of RMB160.49 million as compared with RMB2,941.34 million as at 31 December 2024. The current ratio was 110.92% as at 30 June 2025, representing a decrease of 0.53 percentage point as compared with 111.45% as at 31 December 2024. Restricted cash amounted to RMB3,477.34 million, mainly including bill deposits for guarantee.

Credit risk

As at 30 June 2025, the largest credit risk exposure that may incur financial loss to the Group mainly came from the other party's failure to perform its obligations under the contract that leads to a loss of financial assets of the Group. The Group reviews customers' credit line and perform other monitoring procedures to ensure necessary measures are taken to recover overdue debts. In addition, the Group reviews the recovery of each item of receivables at each balance sheet date, to ensure sufficient bad debt provisions are made on unrecoverable items. The Group's credit risk related to liquidity was relatively low as its liquidity was deposited in banks with high credit rating and TBEA Group Finance Co., Ltd. (特變電工集團財務有限公司).

Foreign exchange risk

The Group's foreign exchange exposure is mainly related to US dollars, Euro, Indian Rupee and Philippine Peso, etc. Except that individual subsidiaries of the Group are using US dollars and other foreign currencies for sales, other main business operations of the Group are denominated and settled in RMB. As at 30 June 2025, some of the Group's assets and liabilities have balances in US dollars, Euro, Indian Rupee and Philippine Peso, etc. The foreign exchange exposure of balances in such foreign currencies is minimal, and will not have a material adverse impact on the financial position of the Group. The Group adopts reasonable hedging instruments and products to reduce the risk of exchange rate fluctuations, adheres to the principle of exchange rate hedging, clarify the management of target exchange rates, and appropriately conducts businesses such as spot and forward settlements to avoid the risk of exchange rate fluctuations.

Interest rate risk

The Group's interest rate risk arises from interest-bearing liabilities such as bank borrowings and bonds payable. Financial liabilities at floating interest rates expose the Group to cash flow interest rate risk, and financial liabilities at fixed interest rates expose the Group to fair value interest rate risk. The Group determines the relative ratio of its fixed rate and floating rate contracts based on prevailing market conditions.

Contingent liabilities

As at 30 June 2025, the Group did not have any material contingent liabilities.

Material acquisition and disposal of assets, subsidiaries, associates and joint ventures

During the Reporting Period, the Group had no other material acquisition and disposal of assets, subsidiaries, associates and joint ventures, except for the equity interests transfer of wind power and PV power plant projects developed and constructed by the Group in the ordinary course of business.

Future plans for material investment or capital asset

The Group has no future plans for material investment or capital asset as at the date of this report.

Significant investments

During the Reporting Period, apart from the Group's investment in the construction of wind power and PV power plants in the ordinary course of business, the Group has no other significant investments.



Management Discussion and Analysis

Other matters

On 6 December 2024, the Company entered into equity interest transfer agreements with Tianchi Energy and Zhundong Energy, being subsidiaries of TBEA, the Company's controlling shareholder, pursuant to which, Tianchi Energy agreed to sell and the Company agreed to acquire 49% of the equity interest in Zhundong Energy at a consideration of RMB1,507,725,800. On 10 January 2025, the above matter was approved at the first extraordinary general meeting of 2025 of the Company. In February 2025, the equity transfer and business registration procedures were completed. Upon completion of the acquisition, the Company held 49% of the equity interest in Zhundong Energy.

The north No. 1 power plant 2×660MW pithead thermal power plant project completed and put into operation in 2019 was the sole property held by Zhundong Energy. It is an auxiliary power supply for “Ultra-High Voltage Transmission (特高壓外送)” channel, which can contribute to long-term and stable revenue, help improve the Group's profit structure and enhance the operational resilience and risk resistance.

For details, please refer to the Company's circular dated 23 December 2024 and poll results announcement dated 10 January 2025.

Events after the balance sheet date

Up to the date of this report, there was no events that may have a material impact on the Group after 30 June 2025.

IV. PROSPECTS

Market Prospects

In February 2025, the International Energy Agency (IEA) released the Electricity Report 2025, which predicts that global electricity demand will grow at an average annual rate of nearly 3.9% during the period from 2025 to 2027, of which China's growth rate of electricity demand be up to 6%; the proportion of renewable energy in global electricity supply will continue to increase, and it is expected to meet 95% of the increase in global electricity demand during the same period, among which PV and wind power will be the main growth engines, contributing approximately 50% and 33% of the global electricity demand increase respectively.

In May 2025, InfoLink, a third-party consulting firm, released the "On the Road to Net Zero: A White Paper on the 2030 PV and Energy Storage Transformation", which predicts that in order to achieve the goal of "tripling" global renewable energy installed capacity by 2030 proposed by the United Nations Climate Change Conference (COP28), i.e., increasing from 3.4TW in 2022 to 11TW, global renewable energy installed capacity will approach 10.5TW in 2030, of which the accumulative installed PV power capacity is expected to reach approximately 6.3–6.75TW, and the accumulative installed wind power capacity will reach approximately 2.1TW.

As the urgency of global response to climate change continues to escalate and the economic benefits of renewable energy become increasingly prominent, the proportion of clean energy represented by wind power and PV in the global energy structure has gradually increased. Renewable energy has strategically taken a leading role in the global energy transformation, with broad long-term market space and good development opportunities.

Business Plan in the Second Half of 2025

Although the current imbalance between supply and demand in the PV industry has not yet improved significantly in the short term, posing pressure on manufacturers within the supply chain, the government, the industry and various manufacturers have fully recognized the necessity and urgency of addressing "involution" competition. With the implementation of relevant national policies on mandatory standards and energy-saving monitoring measures, as well as the exploration of self-discipline actions by the industry and enterprises, these efforts will help the industry return to the right track and provide opportunities for advantageous sectors and promising enterprises to achieve high-quality, profitable and healthy development. In the second half of 2025, the Group will leverage its advantages in upstream and downstream synergies to proactively break through bottlenecks, strictly adhere to safety bottom line, strengthen innovation-driven development, rigorously focus on quality improvement and cost control, deepen digital and intelligent empowerment and talent support, and fully unleash new momentum and advantages for high-quality development.



Management Discussion and Analysis

1. Safety Production Plan

The Group insists on “people and safety-oriented” management policy, adhering to the problem oriented, result-oriented and goal-oriented principle. In the second half of 2025, the Group will further strengthen supervision in key areas, consolidate and deepen the construction of safety system, and make every effort to enhance safety assurance capabilities of human, technical, and intelligent defenses. Firstly, the Group will take safety system construction as the core task of safety management, give play to the guiding role of safety performance, improve the supporting incentive mechanism, and comprehensively promote the construction and effective operation of standardized safety production management systems across all business sectors. Secondly, focusing on the core business areas of production, engineering construction and power station operation, the Group will strictly control over major hazard sources, standardize the management of special operations, implement integrated management requirements of related parties, strengthen on-site operation management, enhance source risk control and implementation of measures, so as to ensure that safety risks in the Group’s production and operations are under control. Thirdly, the Group will promote the comprehensive development and implementation of information-based security systems, leveraging advanced digital and intelligent technologies to enhance internal safety drivers, fully integrate digitalization with safe production operations, and further enhance the effectiveness of emergency command and the level of intelligent safety construction. Fourthly, the Group will continue to improve the dual prevention mechanism of risk hierarchical management and control as well as investigation and management of hidden hazards, strictly implement the responsibilities of all employees in hazard identification, risk assessment, risk hierarchical management and control by color and hidden danger investigation, carry out various safety production trainings and special actions on a regular basis by taking hidden danger investigation as the starting point, rectification and implementation as the key step, and actual exercises as the carrier, and effectively enhance accident prevention capabilities.

2. Polysilicon Production Plan

The Group will strictly comply with the requirements of policies and industry self-regulation, consistently focusing on improving quality, reducing costs and enhancing efficiency in polysilicon production, so as to achieve sustainable development. Firstly, based on key information such as market trends, production costs, and quality impacts, the Group will establish a dynamic cost-revenue production calculation model, dynamically evaluate and adjust production models and plans, and ensure maximum production and operational efficiency. Secondly, incorporating customer feedback and focusing on full-process and all-factor quality management, the Group will carry out quality technology research around key aspects such as distillation, reduction, cold hydrogenation, slurry, and finished product crushing. Through process quality compliance and consistency evaluation control, the Group will improve system process stability, effectively reduce system impurity content, and enhance polysilicon product quality. At the same time, through the reorganization and optimization of workshop process and the upgrade of core system process, the Group will focus on reducing electricity consumption, silicon and chlorine consumption, and auxiliary material consumption to achieve cost reduction and efficiency improvement. Thirdly, the Group will continue to promote the construction of digital and automated plants to build an intelligent production system. Through the transformation of automated equipment, the optimization of process and the improvement of environment, the Group will improve production stability and per capita efficiency. Fourthly, the Group will deepen the strategy of intensive procurement in the supply chain and timing purchase for bulk materials, intensify the review and management of key materials, take multiple measures to improve quality and reduce costs, and continuously make use of industrial silicon, polysilicon and other futures hedging means to achieve cost reductions and efficiency enhancement as well as value preservation and appreciation.



Management Discussion and Analysis

3. Plan for Development, Construction, Operation of Wind Power and PV Resources and Manufacturing of Key Equipment

Focusing on the market and efficiency, the Group will steadily advance the development, construction and operation of PV and wind power resources, enhance the market share and profitability of key equipment such as inverters, and continuously optimize the quality of operation. Firstly, in terms of the development and construction of resources, the Group will continue to intensify the development of the large-scale base project in the dessert, gobi and barren land and deepen the development of new projects such as the integration of PV and storage, PV + zero-carbon parks, as well as generation, grid, load and energy storage. In light of the impact of policies such as the market-oriented reform of on-grid tariffs in new energy, through scientific planning, standardized management and control, and process-driven guidance, and focusing on the market value of the electricity, the Group will comprehensively enhance data integration and management efficiency in our development business, strengthen our understanding of policies and macroeconomic trends, dynamically adjust resource allocation, so as to promote project development in an orderly manner. Secondly, in terms of power station operations, the Group will innovate management systems, deepen data applications, and promote the transformation of operation and maintenance towards proactive early warning, thereby improving efficiency and reducing costs. The Group will enhance the accuracy of electricity market analysis and forecasting by leveraging artificial intelligence and other tools, empowering the improvement of trading capabilities and risk control. By optimizing various trading strategies, including long-term power trading, spot trading, green power trading, and carbon asset trading, the Group will comprehensively enhance the revenue level of operated power plants, and continuously and dynamically optimize existing assets of operated power plants based on profitability. Thirdly, in terms of the manufacturing of key equipment such as inverters, the Group will continue to deepen the integration of digitalization and intelligentization with production and management, enhancing the production automation rate and achieving improvement in per capita production efficiency and quality consistency. The Group will strictly control material introduction and quality verification, and carry out white-box work on key material processes, so as to improve process inspection capabilities. Focusing on the customers, the Group will continue to increase efforts to explore domestic and overseas markets, improve the timely response to customer needs and service quality, optimize and adjust the layout of service and marketing outlets, and continuously enhance product brand influence and profitability.

4. Technology Innovation Plan

The Group will deepen reform and empowerment by seizing development opportunities, continuously expand the breadth and depth of scientific and technological innovation, and cultivate new quality productivity as the core guarantee for the high-quality development, so as to comprehensively enhance its core competitiveness. Firstly, in terms of polysilicon, the Group will continue to promote scientific research and innovation and transformation of achievements by focusing on the optimization of distillation and purification, efficient removal of high boiling impurities from slurry, and improvement of cold hydrogenation efficiency, so as to achieve the improvement of product quality. The Group will also continue to promote the digital construction of plants, thereby achieving online management of the whole process, improving the response speed and handling quality of production anomalies, enhancing production efficiency and stability, and reducing unit costs. Secondly, in terms of power station construction and operation, the Group will build an intelligent engineering technology system centered around key areas such as new business model solutions, medium-and long-term electricity price forecasting, and intelligent operations, comprehensively improving business efficiency and decision-making accuracy. Thirdly, in terms of manufacturing of key equipment such as inverters, adhering to product leadership as well as digital and intelligent guidance, the Group continue to accelerate the construction of infrastructure and innovative experimental platforms and achieve the R&D, testing and transformation of new product models on the basis of the value proposition of multi-scenario adaptability, low levelized power cost, high reliability, grid friendly, intelligent operation and maintenance, so as to continuously enhance market competitiveness.

5. Human Resources Plan

Based on its strategic objectives and business planning closely, the Group will focus on core business shortcomings, talent team building, organizational effectiveness enhancement and professional skills cultivation to drive synergistic optimization of business and talent development. Firstly, the Group will improve the talent development system, continuously optimize human resources plan and talent strategies, prioritize “selection, development, utilization, and retention” as core responsibilities, and strengthen incentive and performance management. Secondly, the Group will build a “dumbbell-shaped” talent structure. Focusing on such areas as process optimization, safety management, quality control, R&D innovation, market development and power trading, the Group will increase our talent pool, and leverage digitalization to enhance unmanned manufacturing processes. While maintaining high-quality and efficient products and services, the Group will realize talent concentration at both ends of the “smile curve”, so as to enhance the overall competitiveness of the talent team. Thirdly, the Group will comprehensively enhance the competency of key positions, promote efficient collaboration across the core value chain process of “research, production, supply, sales and services”, and achieve simultaneous improvements in operating results and capabilities. Fourthly, the Group will deepen the “dual-channel” mechanism and capacity building, optimize the selection and qualification evaluation system, thereby systematically promoting the improvement of staff skills and job performance, carrying forward the spirit of craftsmanship, and achieving joint growth of the Company and its employees.



V. RISK FACTORS AND RISK MANAGEMENT

1. Risks associated with Changes in Policies

Driven by the active implementation of global renewable energy development plans and carbon neutrality goals, the global new energy industry has maintained rapid growth in the past decade. With the rapid iteration of technologies in the new energy industry, the doubling of market size and the continuous decline in costs, the prosperity cycle in global new energy industry continues to expand, but government's policy guidance and support for short-term issues in the new energy industry will continue to significantly influence the industry's development trajectory. Any significant adjustment to the policies for the new energy industry in the future may have an adverse impact on the Group's operations and profitability.

The Group will continue to closely follow up and analyze the introduction of new policies and their impact, and adopt proactive and effective response strategies based on the actual development to minimize the adverse impact of policy changes on the Group.

2. Risks associated with Technology and New Product Substitution

The polysilicon production process currently adopted by the Group is the improved Siemens approach. With the continuous development of PV industry in the future, the technology route may undergo significant changes. If there is a major subversion of the polysilicon production technology or amorphous silicon PV products becoming the mainstream of the market, there may be risks associated with technology or new product substitution.

The Group will further establish and improve its technology innovation system, continuously enhance its technology R&D capabilities, strengthen talent building of its technology R&D team, fully explore the advantages of improved Siemens approach in technology and processes to reduce the production costs, improve the product quality as well as Group's competitiveness and profitability.

3. Risks associated with Intensified Market Competition

Under the historic opportunity of "dual carbon" goals and energy transformation, renewable energy is transitioning from an "alternative energy" to a "dominant energy". The current acceleration of global new energy expansion, combined with the structural imbalance between supply and demand in the PV industry, has led to increasingly fierce market competition with the profit margins of products and services being further compressed. Major PV manufacturer have experienced long-term losses, and enterprises which fall behind in production capacity and lack competitiveness will be phased out at an accelerated pace. If competition in the new energy market continues to intensify, the contradiction between supply and demand cannot be alleviated and the involution competition continues, it could impact the Group's market share and profitability.

The Group will actively respond to the market challenges, guided by customers, market and benefits, and cooperate with national policy regulation and industry self-discipline guidance to explore solutions; At the same time, it will actively leverage on its strengths, provide customers with high-quality, low-cost and competitive products and services, and continuously optimize its business structure and explore new markets to further consolidate and enhance its industry position.

4. Risks associated with Revenue Fluctuations in New Energy Power Generation Projects

In January 2025, the NDRC and the NEA jointly issued the Notice on Deepening the Market-oriented Reform of New Energy Feed-in Tariff to Promote High-quality Development of New Energy* (《關於深化新能源上網電價市場化改革促進新能源高質量發展的通知》), which proposes a comprehensive market-oriented reform on the on-grid tariff of new energy, and implements different price settlement mechanisms for existing and incremental projects to be put into production scheduled on 1 June 2025. New energy power generation will gradually shift from “quantity and price guaranteed” to “market bidding”. In this context, future supply and demand fluctuations in the new energy power market will affect new energy projects generation consumption capacity and transaction prices of power, and thus the uncertainty in revenue of power generation projects of new energy will increase, at the same time, it is more difficult to make investment decisions on incremental new energy projects, which may have a certain impact on the operating results of the Group.

The Group will build and develop a professional new energy resource development and operation team to enhance control over the cost per kilowatt hour in the whole life cycle of project development, design, construction and operation. The Group will conduct in-depth research on the trading mechanism of the electricity market, and use technologies such as artificial intelligence to improve the accuracy of power forecasting and power generation forecasting, so as to enhance trading capabilities and reduce trading risks. The Group will diversify the market risks by signing long-term power purchase agreements with electricity users and expanding sales channels. At the same time, The Group will design more reasonable trading strategies for medium-and long-term power trading, spot trading, green power trading, or carbon asset trading, strive to improve project returns, and guarantee the revenue level of new energy resource development and operated power plants of the Group.



Management Discussion and Analysis

5. Internationalization Risk

In recent years, with turbulent international situation, intensifying international trade frictions, increasing uncertainties in the international environment, the PV industry has become an advantageous and strategic emerging industry in China, and is also facing a number of uncertainties in the countries where its direct or indirect overseas operations are located, such as the political, legal, economic environment, and local culture, which may have a certain impact on the operation of the Group.

The Group will carry out a comprehensive internationalization risk screening from various aspects such as politics, law, economy and culture through continuous research of overseas policies in the new energy industry and the international economic situation, and after taking into account its business model, strategic planning, etc., strengthen risk management and compliance system construction, so as to actively address the impact of internationalization risk on the Group.



Corporate Governance

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

As a company listed on the Stock Exchange, the Company is committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. For the six months ended 30 June 2025, the Company complied with all code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 of Listing Rules, and adopted the recommended best practices set out therein, if applicable. Meanwhile, the Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 of the Listing Rules as the code of conduct governing dealings by its Directors and Supervisors in the securities of the Company. Having made specific enquiries, all Directors and Supervisors confirmed that they had strictly complied with the required standards set out in the Model Code during the Reporting Period. The Company has also set up guidelines in respect of the dealings by its relevant employees (as defined in the Listing Rules) in the Company’s securities, which are on terms no less exacting than those in the Model Code. The Company is not aware of any breach of the guidelines by its relevant employees.

The Board will examine the corporate governance practices and operation of the Company from time to time so as to ensure the compliance with relevant requirements under the Listing Rules and to safeguard Shareholders’ interests.

DIRECTORS’ RESPONSIBILITY FOR THE INTERIM FINANCIAL INFORMATION

The Directors acknowledge the relevant responsibilities for the preparation of the Company’s interim financial information, which are to ensure that the preparation of the Company’s interim financial information is in accordance with the relevant regulations and applicable accounting standards, and to ensure that the Company’s interim financial information is published in a timely manner.



DIVERSITY POLICY OF BOARD MEMBERS

The Company believes that the diversity of Directors brings a broad vision as well as rich and high-level professional experience to the Company, which is conducive to facilitating scientific decision-making and improving corporate governance, and is one of the key factors for achieving sustainable development. Therefore, the Company has formulated a Board Diversity Policy, which has been incorporated into the Rules of Procedure of the Nomination Committee of the Board. Details are as follows: when assessing the Board composition, the Nomination Committee and the Board would take into account various aspects, including but not limited to gender, age, culture, perspectives, educational background, work experience, etc. During the Reporting Period, the Company updated the Rules of Procedure of the Nomination Committee of the Board, which includes the requirement that the Nomination Committee must have at least one director of a different gender.

The Company will disclose the composition of the Board and a summary of the Board's diversity policies, including the Board Diversity Policy, and their implementation in the Corporate Governance Report in its annual reports.

The Nomination Committee reviews the Board Diversity Policy each year to ensure its effectiveness. Any necessary revisions to the Board Diversity Policy are discussed by the Nomination Committee and proposed to the Board for approval.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to the relevant requirements of the Listing Rules, the Company has appointed a sufficient number of independent non-executive Directors, with appropriate professional qualifications, or appropriate accounting or related financial management expertise. As at the Latest Practicable Date, the Company has appointed a total of three independent non-executive Directors, namely, Mr. Cui Xiang, Mr. Chen Weiping and Mr. Tam, Kwok Ming Banny.

AUDIT COMMITTEE

The Company has established the Audit Committee in accordance with the requirements of the Listing Rules. The primary responsibilities of the Audit Committee are to review the annual internal audit plan of the Company; oversee the financial reporting process and internal control procedures of the Group and review the quality of internal audit and disclosure of financial information of the Group; audit and supervise the Connected Transactions and evaluate their appropriateness; oversee the appointment, re-appointment and removal of external auditors, and make recommendations to the Board to approve the remuneration and terms of appointment of external auditors; review and oversee the independence and objectiveness of external auditors and effectiveness of audit procedures; formulate and implement policies in relation to non-audit services provided by external auditors; review interim and annual financial statements before submission to the Board; oversee the financial reporting system and internal control procedures of the Company; evaluate the effectiveness of the internal control and risk management structure to ensure the coordination between the internal audit personnel and external auditors and to ensure that the internal audit functions are operating with adequate resources in the Company and the relevant staff have sufficient qualifications and experience and are provided with regular empowerment programmes or other similar arrangement.

As at the Latest Practicable Date, the Audit Committee consisted of three independent non-executive Directors and two non-executive Directors, namely, Mr. Tam, Kwok Ming Banny (independent non-executive Director), Mr. Cui Xiang (independent non-executive Director), Mr. Chen Weiping (independent non-executive Director), Mr. Zhang Xin (non-executive Director) and Mr. Huang Hanjie (non-executive Director). Mr. Tam, Kwok Ming Banny, who has appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules, serves as the chairman of the Audit Committee.

The Audit Committee reviewed the interim results announcement of the Group for the six months ended 30 June 2025, the 2025 interim report and the unaudited interim financial report for the six months ended 30 June 2025 which was prepared in accordance with the CASBE.



Other Information

SHARE CAPITAL

As at 30 June 2025, the structure of the issued share capital of the Company is as follows:

Classification of Shares	Par value per Share	Number of issued Shares	Percentage of number of issued Shares (%)
Domestic Shares	RMB1.00	1,053,829,244	73.69
H Shares	RMB1.00	376,170,756	26.31
Total		1,430,000,000	100.00

PUBLIC FLOAT

Based on the publicly available information to the Company, to the best of the Directors' knowledge, no less than 25% of the Shares of the Company in issue are held by the public during the Reporting Period and as at the Latest Practicable Date, which complied with the requirement of the Listing Rules.

INTERIM DIVIDEND

The Board did not recommend the declaration of an interim dividend for the six months ended 30 June 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

For the six months ended 30 June 2025, the Group has not purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

As of the end of the Reporting Period, the Company did not hold any treasury shares.

EMPLOYEE SHARE OWNERSHIP SCHEME

On 5 May 2022, the adoption of the Employee Share Ownership Scheme was considered and approved at the general meeting of the Company, and on the same day, the Company granted 29.94 million Domestic Shares to the Participants of the Employee Share Ownership Scheme (a total of 500 Participants including Directors, Supervisors, senior management, middle management, core technical employees and core business employees of the Company) through the Shareholding Platforms of the Employee Share Ownership Scheme. The source of the shares was the Domestic Shares held by TBEA, which were transferred to the Shareholding Platforms of the Employee Share Ownership Scheme. Based on the industry conditions and the actual situation of the Company, the Board has terminated the Employee Share Ownership Scheme in April 2025. At the end of the Reporting Period, TBEA has acquired all the Domestic Shares of the Company held by the Shareholding Platforms for RMB417,363,600.

Unless otherwise required by the context, the terms used below shall have the same meaning as those defined in the announcements of the Company dated 15 March 2022, 5 May 2022 and 21 April 2025, and the circular of the Company dated 19 April 2022.

Details of the Employee Share Ownership Scheme are set out below:

Objectives and Purposes

To improve and perfect the governance structure of the Company, establish an effective incentive and restraint mechanism, attract and retain talents, improve the Company's middle and senior management and key employees' sense of responsibility and mission to achieve the sustainable and healthy development, and to effectively combine the interests of Shareholders, the Company and the employees' interests.

Subject Shares

Domestic Shares purchased by the Participants to have their ownership registered after the grant of the Subject Shares by the Company to the Participants at a certain price. The Subject Shares under the Employee Share Ownership Scheme represented 2.09% of the weighted average of the total number of Shares in issue of the Company as at 30 June 2025, and 2.84% of the weighted average of the total number of Domestic Shares in issue of the Company as at 30 June 2025. As of the end of the Reporting Period, the Subject Shares have been transferred to TBEA.

Source of the Subject Shares

The Subject Shares under the Employee Share Ownership Scheme were originated from the Domestic Shares transferred by TBEA. The Employee Share Ownership Scheme shall not involve any issue of new Shares.

Participants

The Participants mainly include the Company's (i) Directors, Supervisors and senior management; (ii) middle management; (iii) core technical employees and core business employees; and (iv) other Participants identified by the Board. The Participants shall be employees of the Group at the time when the Subject Shares are granted. The number of Participants who meet the above conditions and participate in the Employee Share Ownership Scheme is in a total of 500.

In determining the number of Subject Shares to be granted to the Participants, the Company has considered the Participants' seniority, performance, function, contribution and importance to the Company and formulated a uniform principle for granting.

The grant date of the Subject Shares was 5 May 2022, being the date on which the Employee Share Ownership Scheme was considered and approved by the Company at the 2022 first extraordinary general meeting.

During the Reporting Period, details of the movement of the Subject Shares are as follows:

Name/Category of Grantee	Grant price of the Subject Shares per share (RMB) ⁽¹⁾	Number of Subject Shares granted but not unlocked as at 1 January 2025 ('0,000 shares) ⁽²⁾	Granted during the Reporting Period ('0,000 shares)	Unlocked during the Reporting Period ('0,000 shares)	Cancelled during the Reporting Period ('0,000 shares)	Lapsed during the Reporting Period ('0,000 shares)	Number of Subject Shares granted but not unlocked as at 30 June 2025 ('0,000 shares) ⁽³⁾
Directors							
Zhang Jianxin	13.73	100	—	—	—	—	—
Hu Weijun	13.73	18	—	—	—	—	—
Supervisors							
Cao Huan ⁽⁴⁾	13.73	18	—	—	—	—	—
Guo Hao	13.73	7	—	—	—	—	—
Senior management, middle management, core technical and business employees, as well as other Participants identified by the Board (496 ⁽⁵⁾ in total)	13.73	2,851	—	—	—	—	—
Total	13.73	2,994	—	—	—	—	—

- (1) The grant price of the Subject Shares was determined with reference to the price of the latest issue of Domestic Shares of the Company, i.e. RMB13.73 per share. As at the grant date, the relevant subscription amounts had been paid by the Participants.
- (2) The lock-up period of the Employee Share Ownership Scheme shall start from the grant date to the end of 36 months after the listing date of the Company's A Shares.

If the Company fails to materialize the A Share Offering and there is no further plan for it at that time, the "Special exit circumstances" will be automatically triggered. Participants may, through the Partnership, decide whether to transfer its Shares to TBEA or other third party. In such circumstances, the lockup period shall be 3 years from the grant date.

- (3) On 20 April 2025, the Board terminated the Employee Share Ownership Scheme. As at the Latest Practicable Date, TBEA has transferred all the Domestic Shares of the Company held by the Shareholding Platforms for RMB417,363,600.
- (4) Mr. Cao Huan ceased to serve as the employee representative supervisor of the Company from 14 February 2025.
- (5) None of the Participants was granted with Shares in excess of the 1% individual limit (as defined in the Listing Rules).
- (6) According to the appraisal report issued by Yinxin Appraisal Co., Ltd (銀信資產評估有限公司), the fair value of the Subject Share(s) on the grant date was RMB20.29 per share.

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2025, so far as known to the Company, the interest and short positions of the Directors, Supervisors and chief executives of the Company in the Shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) (a) which will have to be notified to the Company and the Stock Exchange (including those taken or deemed to be owned by them under such provisions of the SFO); or (b) which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

Name	Nature of interest	The Company/ associated corporation	Number/type of shares of the Company/ associated corporation held	Approximate percentage of shareholdings in the total share capital of the Company/ associated corporation ⁽¹⁾	Approximate percentage of shareholdings in the relevant class of Shares of the Company ⁽²⁾	Long position/ short position
Directors/chief executives						
Mr. Zhang Xin	Interest in a controlled corporation ⁽³⁾	The Company	86,759,908 Domestic Shares	6.07%	8.23%	Long position
	Beneficial owner	TBEA ⁽⁴⁾	528,324 shares	0.01%	N/A	Long position
	Interest in a controlled corporation ⁽⁵⁾	TBEA ⁽⁴⁾	581,077,428 shares	11.50%	N/A	Long position
Mr. Huang Hanjie	Beneficial owner	TBEA ⁽⁴⁾	1,622,734 shares	0.03%	N/A	Long position
Mr. Yang Xiaodong	Beneficial owner	TBEA ⁽⁴⁾	1,890,140 shares	0.04%	N/A	Long position
Ms. Huang Fen	Beneficial owner	TBEA ⁽⁴⁾	507,000 shares	0.01%	N/A	Long position
Supervisors						
Mr. Han Shu	Beneficial owner	TBEA ⁽⁴⁾	1,375 shares	0.00%	N/A	Long position
Mr. Hu Shujun	Beneficial owner	TBEA ⁽⁴⁾	90,189 shares	0.00%	N/A	Long position
Mr. Wang Shufeng	Beneficial owner	TBEA ⁽⁴⁾	208,000 shares	0.00%	N/A	Long position
Mr. Guo Hao	Beneficial owner	TBEA ⁽⁴⁾	15,000 shares	0.00%	N/A	Long position

Notes:

- (1) The calculation is based on the total number of 5,052,792,571 shares of TBEA in issue and the total number of 1,430,000,000 Shares of the Company in issue as at 30 June 2025.
- (2) The calculation is based on the total number of 1,053,829,244 Domestic Shares of the Company in issue as at 30 June 2025.
- (3) Mr. Zhang Xin (i) directly holds 40.08% equity interest in Xinjiang Tebian; (ii) holds 24.04% equity interest in Xinjiang Tebian through his wholly-owned Tianjin Hongyuan Innovation Enterprise Management Co., Ltd.* (天津宏遠創新企業管理有限公司); and (iii) pursuant to the SFO, as Xinjiang Hongyuan Innovation Enterprise Management Co., Ltd.* (新疆宏遠創新企業管理有限公司) ("**Xinjiang Hongyuan**"), in which he holds 70% equity interest, acts as the general partner of Xinjiang Xingze Enterprise Management Limited Partnership* (新疆興則企業管理有限合夥企業) ("**Xinjiang Xingze**"), Mr. Zhang Xin is also deemed to be interested in the 32.95% equity interest in Xinjiang Tebian held by Xinjiang Xingze. Xinjiang Tebian held 83,863,108 Domestic Shares of the Company as at 30 June 2025; Xinjiang Far Excellence Enterprise Management Consulting Co., Ltd.* (新疆遠卓企業管理諮詢有限公司), a wholly-owned subsidiary of Xinjiang Tebian, holds 2,896,800 Domestic Shares of the Company. Therefore, Mr. Zhang Xin holds approximately 6.07% of the total issued Shares of the Company through his interests in the controlled corporations.
- (4) TBEA is the Company's Controlling Shareholder and therefore an associated corporation of the Company. As at 30 June 2025, TBEA held 951,226,161 Domestic Shares (approximately 90.26% of the relevant class of Shares) of the Company, and TBEA (HONGKONG) CO., LIMITED, a wholly-owned subsidiary of TBEA, held 1,223,200 H Shares (approximately 0.33% of the relevant class of Shares) of the Company, which in total accounted for approximately 66.61% of the total number of issued Shares of the Company.
- (5) Mr. Zhang Xin directly holds 40.08% equity interest in Xinjiang Tebian and holds 24.04% equity interest in Xinjiang Tebian through his wholly-owned Tianjin Hongyuan Innovation Enterprise Management Co., Ltd.*; pursuant to the SFO, as Xinjiang Hongyuan, in which he holds 70% equity interest, acts as the general partner of Xinjiang Xingze, Mr. Zhang Xin is also deemed to be interested in the 32.95% equity interest in Xinjiang Tebian held by Xinjiang Xingze. Xinjiang Tebian directly holds 581,077,428 shares of TBEA.

Save as disclosed above, as at 30 June 2025, none of the Directors, Supervisors and chief executives of the Company had any interest or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporation, which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including those being taken or deemed to be owned by them under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 June 2025, so far as known to the Directors after reasonable enquiry, the following persons (other than the Directors, Supervisors or chief executives of the Company) had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and had been entered in the register required to be kept by the Company according to Section 336 of the SFO:

Name of Shareholder	Nature of interest	Class of Shares held	Number of Shares held	Approximate percentage of shareholdings in the relevant class of Shares of the Company ⁽¹⁾	Approximate percentage of shareholdings in the total share capital of the Company ⁽¹⁾	Long position/ short position
TBEA	Beneficial owner	Domestic Shares	951,226,161	90.26%	66.52%	Long position
	Interest in a controlled corporation ⁽²⁾	H Shares	1,223,200	0.33%	0.09%	Long position
					66.61%	
Xinjiang Tebian	Beneficial owner	Domestic Shares	83,863,108	7.96%	5.86%	Long position
	Interest in a controlled corporation ⁽³⁾	Domestic Shares	2,896,800	0.27%	0.20%	Long position
					6.07%	
Shanghai Ningquan Asset Management Co., Ltd. (上海寧泉資產管理有限公司)	Investment manager	H Shares	53,154,400	14.13%	3.72%	Long position

Notes:

- (1) The calculation is based on the total number of 1,430,000,000 Shares of the Company in issue as at 30 June 2025, in which 376,170,756 are H Shares and 1,053,829,244 are Domestic Shares.
- (2) TBEA indirectly holds 1,223,200 H Shares through its wholly-owned subsidiary TBEA (HONGKONG) CO., LIMITED.
- (3) Xinjiang Tebian indirectly holds 2,896,800 Domestic Shares through its wholly-owned subsidiary Xinjiang Far Excellence Enterprise Management Consulting Co., Ltd.* (新疆遠卓企業管理諮詢有限公司).

Save as disclosed above, as at 30 June 2025, the Directors of the Company are not aware that any other person (other than the Directors, Supervisors and chief executives of the Company) had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or had been entered in the register required to be kept by the Company according to Section 336 of the SFO.

EMPLOYEES

As at 30 June 2025, the Group had a total of 7,614 employees. Remuneration paid to the Group's employees is comprised of basic salary of the respective position and performance-based salary, with the performance-based salary determined based on the performance of the Group and performance assessment results of the employees.

The Group values the importance of training of its staff, and continuously improves its education and empowerment system. Based on aspects including construction of a team of talents, qualifications of positions, and business requirements, the Group systematically organises the needs of empowerment, and has built an empowerment system that encompasses all our staff and is relevant to their career paths, based on the career development of different levels and positions. The Group has also taken the training of core personnel involved in technological innovation projects and qualification recognition of grassroots positions as the focus of training, and through scientific and technological innovations, technological problem-solving and productivity streamlining projects, has expanded the horizon and enriched the knowledge of our workers, and continuously improved their levels of self-cultivation and professional skills.

During the Reporting Period, the Group paid employees remuneration of RMB1,091.57 million in aggregate.

MAJOR LEGAL PROCEEDING

During the Reporting Period, the Company was not involved in any material litigation or arbitration, and there was no litigation or claim of material importance pending and threatened by or against the Company.



CHANGE IN INFORMATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

1. Mr. Cao Huan was removed from his position as an employee representative supervisor at the employee representative meeting of the Company on 14 February 2025 as Mr. Cao has not performed his duties of his relevant position in the Company for a number of days consecutively, and Mr. Wang Shufeng was elected as the employee representative supervisor, with a term from 14 February 2025 until the expiry date of the current Supervisory Board.
2. Mr. Zheng Weijie resigned from his position as the chief accountant of the Company due to a work change, with effect from 7 March 2025. The Board appointed Ms. Huang Fen as the chief accountant of the Company on 7 March 2025, with a term of office from the date of appointment until the expiry date of the current term of office of the senior management.
3. Ms. Kong Ying tendered her resignation as an executive Director, a member of the nomination committee of the Board and the vice general manager of the Company due to personal career development, with effect from 14 March 2025.
4. The Board appointed Mr. Li Dan as the deputy general manager of the Company on 31 March 2025, with a term of office from the date of appointment until the expiry date of the current term of office of senior management.
5. With the approval of the general meeting, Ms. Huang Fen was appointed as an executive director of the Company, with effect from 29 April 2025 until the expiry of the term of office of the current Board. At the same time, Ms. Huang Fen was also approved by the Board to serve as a member of the Nomination Committee of the Board, with the same term as her term as an executive director.

Details of the biographies of the above newly appointed Directors, Supervisors and senior management are as follows:

Mr. Wang Shufeng, aged 47, currently serves as the employee representative supervisor and secretary of the discipline inspection commission of the Company. Mr. Wang holds a master's degree and is a deputy senior engineer. Mr. Wang previously served as the deputy chief engineer and chief engineer of Xinjiang Electric Power Construction Co., Ltd.* (新疆電力建設有限公司), the deputy project chief engineer of Xinjiang Sifang Boiler Co., Ltd.* (新疆四方鍋爐有限公司), the manager of engineering management department of Xinjiang Midong Thermal Power Plant of Shenhua Shendong Power Co., Ltd* (神華神東電力有限責任公司新疆米東熱電廠), the manager of engineering audit division of audit department of TBEA, the department head of engineering management department, the department head of audit department, the deputy audit director, and the audit director of Tianchi Energy.

Ms. Huang Fen, aged 47, currently serves as an executive Director and the chief accountant of the Company. Ms. Huang holds a bachelor's degree and is a senior accountant, Chinese certified public accountant, and U.S. certified management accountant. Ms. Huang previously served as the cashier and cost accountant of the finance department and head of the audit and supervision department of Xinjiang transformer factory of TBEA* (特變電工新疆變壓器廠), and deputy financial director and chief accountant of Tianchi Energy, etc.

Mr. Li Dan, aged 47, currently serves as the deputy general manager of the Company. Mr. Li holds a PhD degree and is a chief senior economist and a senior human resource manager. Mr. Li previously served as the assistant director of the College of International Cultural Exchange of Xinjiang University, the manager of the president's office and the director of the training institute of TBEA, the director of the human resources department, the assistant to the general manager, and the deputy general manager of human resources department, etc.

Save as disclosed above, there has been no change in the information of Directors, Supervisors and senior management of the Company that is required to be disclosed under Rules 13.51(2) and 13.51B of the Listing Rules during the Reporting Period.



Consolidated Balance Sheet (Unaudited)

30 June 2025

Prepared by: Xinte Energy Co., Ltd.

Unit: RMB

Items	Notes	30 June 2025	31 December 2024
Current assets:			
Monetary capita	V. 1	11,956,862,100.96	11,663,084,839.76
Clearing settlement funds			
Loans to other banks			
Financial assets held for trading	V. 2	74,405,718.19	78,940,678.80
Derivative financial assets			
Notes receivable	V. 3	658,538,312.30	1,000,881,742.08
Accounts receivable	V. 4	5,544,868,382.45	5,058,443,314.06
Receivables financing	V. 5	411,745,975.28	1,151,997,262.66
Prepayments	V. 6	2,140,839,487.55	506,194,611.41
Premiums receivable			
Reinsurance accounts receivable			
Reinsurance contract reserve receivable			
Other receivables	V. 7	365,027,563.10	427,546,014.72
Including: Interests receivable			
Dividends receivable	V. 7.2	105,505,807.86	106,296,344.58
Financial assets held under resale agreements			
Inventories	V. 8	4,427,543,725.28	4,725,097,705.71
Contract assets	V. 9	1,610,461,297.60	2,369,842,664.10
Assets held for sale			
Non-current assets due within one year			
Other current assets	V. 10	1,061,482,969.58	1,650,806,253.10
Total current assets		28,251,775,532.29	28,632,835,086.40
Non-current assets:			
Loans and advances			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	V. 11	2,654,341,480.89	873,273,826.17
Other equity instrument investments	V. 12	121,824,188.20	121,824,188.20
Other non-current financial assets			
Investment properties			
Fixed assets	V. 13	40,627,953,324.34	41,000,088,297.20
Construction in progress	V. 14	6,012,647,849.52	5,124,457,555.11
Productive biological assets			
Oil and gas assets			
Right-of-use assets	V. 15	371,570,344.89	309,812,191.72
Intangible assets	V. 16	1,479,573,298.71	1,452,357,894.94
Development expenses			
Goodwill			
Long-term deferred expenses	V. 17	32,860,895.66	32,900,747.35
Deferred income tax assets	V. 18	1,385,043,561.17	1,343,338,959.91
Other non-current assets	V. 19	2,910,760,166.09	2,789,697,449.76
Total non-current assets		55,596,575,109.47	53,047,751,110.36
Total assets		83,848,350,641.76	81,680,586,196.76

Consolidated Balance Sheet (Unaudited)

30 June 2025
Unit: RMB

Prepared by: Xinte Energy Co., Ltd.

Items	Notes	30 June 2025	31 December 2024
Current liabilities:			
Short-term borrowings	V. 20	2,331,547,740.16	610,425,093.20
Borrowing from central bank			
Loans from other banks			
Financial liabilities held for trading	V. 21	4,335,096.35	47,711,848.71
Derivative financial liabilities			
Notes payable	V. 22	5,242,964,168.72	7,569,903,513.31
Accounts payable	V. 23	10,226,621,188.25	10,870,449,359.21
Advances received			
Contract liabilities	V. 24	2,557,123,206.99	2,164,684,531.16
Proceeds from sale of repurchase financial assets			
Deposits from clients and placements from other banks			
Deposit for agency security transaction			
Deposit for agency security underwriting			
Staff remuneration payables	V. 25	715,344,369.55	792,851,622.02
Taxes payable	V. 26	332,314,129.99	429,038,910.22
Other payables	V. 27	520,856,952.92	440,617,877.53
Including: Interests payable			
Dividends payable			
Handling fees and commission payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities due within one year	V. 28	3,386,983,588.10	2,507,216,231.35
Other current liabilities	V. 29	152,834,625.42	258,592,958.76
Total current liabilities		25,470,925,066.45	25,691,491,945.47
Non-current liabilities:			
Provision for insurance contracts			
Long-term borrowings	V. 30	19,685,742,599.15	19,072,968,954.91
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities	V. 31	357,573,884.56	255,392,622.22
Long-term payables			
Long-term staff remuneration payables			
Accrued liabilities	V. 32	315,286,286.97	260,686,999.54
Deferred income	V. 33	470,859,474.44	561,491,229.27
Deferred income tax liabilities	V. 18	460,748,291.49	460,969,368.31
Other non-current liabilities	V. 34	82,082,856.29	83,859,832.43
Total non-current liabilities		21,372,293,392.90	20,695,369,006.68
Total liabilities		46,843,218,459.35	46,386,860,952.15



Consolidated Balance Sheet (Unaudited)

30 June 2025

Prepared by: Xinte Energy Co., Ltd.

Unit: RMB

Items	Notes	30 June 2025	31 December 2024
Shareholders' equity:			
Share capital	V. 35	1,430,000,000.00	1,430,000,000.00
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve	V. 36	9,833,949,220.16	9,833,949,220.16
Less: Treasury shares			
Other comprehensive income	V. 37	-104,054,358.52	-135,337,283.02
Special reserve	V. 38	67,106,960.43	41,180,844.93
Surplus reserve	V. 39	981,955,892.67	981,955,892.67
General risk reserve			
Undistributed profit	V. 40	20,385,300,687.46	20,641,591,615.72
Total equity attributable to the shareholders of the parent company		32,594,258,402.20	32,793,340,290.46
Non-controlling interest		4,410,873,780.21	2,500,384,954.15
Total shareholders' equity		37,005,132,182.41	35,293,725,244.61
Total liabilities and shareholders' equity		83,848,350,641.76	81,680,586,196.76

Balance Sheet of the Parent Company (Unaudited)

30 June 2025
Unit: RMB

Prepared by: Xinte Energy Co., Ltd.

Items	Notes	30 June 2025	31 December 2024
Current assets:			
Monetary capita		751,657,151.69	1,921,563,988.72
Clearing settlement funds			
Loans to other banks			
Financial assets held for trading		1,594,625.00	
Derivative financial assets			
Notes receivable		2,430,648.25	29,954,447.32
Accounts receivable	XV. 1	1,259,905,374.29	479,319,017.14
Receivables financing			3,538,291.32
Prepayments		137,984,188.69	6,724,358.86
Premiums receivable			
Reinsurance accounts receivable			
Reinsurance contract reserve receivable			
Other receivables	XV. 2	1,594,913,926.22	3,787,398,799.52
Including: Interests receivable			
Dividends receivable	XV. 2.1	1,059,479,393.78	1,059,479,393.78
Financial assets held under resale agreements			
Inventories		74,540,852.17	40,879,883.73
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		25,866,693.16	86,031,684.29
Total current assets		3,848,893,459.47	6,355,410,470.90
Non-current assets:			
Loans and advances			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	XV. 3	19,728,711,997.40	18,086,474,879.05
Other equity instrument investments		120,824,188.20	120,824,188.20
Other non-current financial assets			
Investment properties			
Fixed assets		3,881,267,989.65	4,053,857,928.61
Construction in progress		32,551,794.59	15,492,840.29
Productive biological assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets		188,058,391.24	190,860,876.74
Development expenses			
Goodwill			
Long-term deferred expenses			
Deferred income tax assets		141,253.51	
Other non-current assets		315,026,718.34	226,224,354.54
Total non-current assets		24,266,582,332.93	22,693,735,067.43
Total assets		28,115,475,792.40	29,049,145,538.33



Balance Sheet of the Parent Company (Unaudited)

30 June 2025

Prepared by: Xinte Energy Co., Ltd.

Unit: RMB

Items	30 June 2025	31 December 2024
Current liabilities:		
Short-term borrowings		
Borrowing from central bank		
Loans from other banks		
Financial liabilities held for trading	295,439.70	38,641,480.00
Derivative financial liabilities		
Notes payable	480,334,234.10	513,893,326.65
Accounts payable	1,018,155,752.85	826,193,808.15
Advances received	950,462,137.74	
Contract liabilities		896,175,099.76
Proceeds from sale of repurchase financial assets		
Deposits from clients and placements from other banks		
Deposit for agency security transaction		
Deposit for agency security underwriting		
Staff remuneration payables	152,642,141.47	157,372,329.99
Taxes payable	18,510,949.51	2,969,333.21
Other payables	4,339,605,185.67	5,442,288,330.59
Including: Interests payable		
Dividends payable		
Handling fees and commission payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	80,000,000.00	80,000,000.00
Other current liabilities		137,357,767.25
Total current liabilities	7,040,005,841.04	8,094,891,475.60

Balance Sheet of the Parent Company (Unaudited)

Prepared by: Xinte Energy Co., Ltd.

30 June 2025
Unit: RMB

Items	30 June 2025	31 December 2024
Non-current liabilities:		
Provision for insurance contracts		
Long-term borrowings	246,000,000.00	286,000,000.00
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term staff remuneration payables		
Accrued liabilities		7,035,168.08
Deferred income	250,288,533.93	264,707,359.33
Deferred income tax liabilities	194,178,592.48	194,178,592.48
Other non-current liabilities		
Total non-current liabilities	690,467,126.41	751,921,119.89
Total liabilities	7,730,472,967.45	8,846,812,595.49
Shareholders' equity:		
Share capital	1,430,000,000.00	1,430,000,000.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	9,280,740,942.59	9,280,740,942.59
Less: Treasury shares		
Other comprehensive income	-105,511,468.26	-129,175,789.32
Special reserve	8,951,474.57	1,288,374.30
Surplus reserve	980,338,798.74	980,338,798.74
General risk reserve		
Undistributed profit	8,790,483,077.31	8,639,140,616.53
Total equity attributable to the shareholders of the parent company	20,385,002,824.95	20,202,332,942.84
Non-controlling interest		
Total shareholders' equity	20,385,002,824.95	20,202,332,942.84
Total liabilities and shareholders' equity	28,115,475,792.40	29,049,145,538.33

Consolidated Income Statement (Unaudited)

From January to June 2025

Prepared by: Xinte Energy Co., Ltd.

Unit: RMB

Items	Notes	From January to June 2025	From January to June 2024
I. Total operating revenue	V. 41	7,310,831,374.67	11,743,103,757.41
Including: Operating revenue	V. 41	7,310,831,374.67	11,743,103,757.41
Interest income			
Premium earned			
Handling fees and commission income			
II. Total operating cost		7,820,898,513.81	11,731,701,928.41
Including: Operating cost	V. 41	6,642,314,531.79	10,450,027,917.63
Interest expenses			
Handling fees and commission expenses			
Surrender value			
Net payment of insurance claims			
Net provision of insurance liability reserve			
Premium bonus expenses			
Reinsurance expenses			
Taxes and surcharges	V. 42	118,768,062.96	85,047,487.42
Selling expenses	V. 43	265,815,736.26	282,978,929.71
Administrative expenses	V. 44	356,168,892.94	452,042,055.77
R&D expenses	V. 45	157,135,807.73	181,165,461.90
Financial expenses	V. 46	280,695,482.13	280,440,075.98
Including: Interest expenses		351,174,534.29	359,010,352.37
Interest income		69,184,158.34	95,038,817.76
Add: Other revenue	V. 47	58,773,572.61	75,460,002.51
Investment income			
(loss is represented by "-")	V. 48	422,199,617.24	-7,561,736.63
Including: Investment income from			
associates and joint ventures		271,246,455.86	10,264,927.39
Gains from derecognition of			
financial assets measured at			
amortized cost			
Gains from foreign exchange			
(loss is represented by "-")			
Gains from net exposure to hedging			
(loss is represented by "-")			
Gain on changes in fair value			
(loss is represented by "-")	V. 49	6,039,935.00	638,258.56
Impairment loss of credit			
(loss is represented by "-")	V. 50	8,027,739.65	-48,744,982.84
Impairment loss of assets			
(loss is represented by "-")	V. 51	-252,345,334.91	-984,315,499.18
Gains from disposal of assets			
(loss is represented by "-")	V. 52	13,959,000.24	-516,322.72
III. Operating profit (loss is represented by "-")		-253,412,609.31	-953,638,451.30
Add: Non-operating revenue	V. 53	19,174,457.57	14,538,403.87
Less: Non-operating expenses	V. 54	984,089.63	2,112,112.32

Consolidated Income Statement (Unaudited)

Prepared by: Xinte Energy Co., Ltd.

From January to June 2025
Unit: RMB

Items	Notes	From January to June 2025	From January to June 2024
IV. Total profit (total loss is represented by "-")		-235,222,241.37	-941,212,159.75
Less: Income tax expenses	V. 55	72,135,424.61	-93,396,708.43
V. Net profit (net loss is represented by "-")		-307,357,665.98	-847,815,451.32
(I) Classified by continuity of operations		-307,357,665.98	-847,815,451.32
1. Net profit from continuing operations (net loss is represented by "-")		-307,357,665.98	-847,815,451.32
2. Net profit from discontinued operation (net loss is represented by "-")			
(II) Classified by ownership		-307,357,665.98	-847,815,451.32
1. Net profit attributable to owners of the parent company (net loss is represented by "-")		-256,290,928.26	-887,017,482.05
2. Profit or loss attributable to non-controlling interests (net loss is represented by "-")		-51,066,737.72	39,202,030.73
VI. Net other comprehensive income after tax		31,292,976.69	512,775.69
Net other comprehensive income after tax attributable to owners of the parent company		31,282,924.50	388,427.59
(I) Other comprehensive income not reclassified to profit or loss		29,304,175.97	
1. Changes arising on remeasurement of defined benefit plans			
2. Other comprehensive income accounted for using the equity method that cannot be reclassified to profit or loss			
3. Changes in fair value of investments in other equity instruments		29,304,175.97	
4. Changes in fair value of own credit risk of the Company			
5. Others			
(II) Other comprehensive income to be reclassified to profit or loss		1,978,748.53	388,427.59
1. Other comprehensive income accounted for using the equity method that may be reclassified to profit or loss			
2. Changes in fair value of other debt investments			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provisions for credit impairment of other debt investments			
5. Reserve for cash flow hedging (effective portion of profit or loss on cash flow hedging)		3,651,606.31	
6. Exchange differences on translation of financial statements in foreign currency		-1,672,857.78	388,427.59
7. Others			
Net other comprehensive income after tax attributable to non-controlling interest		10,052.19	124,348.10



Consolidated Income Statement (Unaudited)

From January to June 2025
Prepared by: Xinte Energy Co., Ltd.

Unit: RMB

Items	From January to June 2025	From January to June 2024
VII. Total comprehensive income	-276,064,689.29	-847,302,675.63
Total comprehensive income attributable to shareholders of the parent company	-254,312,179.73	-886,629,054.46
Total comprehensive income attributable to non-controlling interests	-51,056,685.53	39,326,378.83
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	-0.1792	-0.6203
(II) Diluted earnings per share (RMB/share)	-0.1792	-0.6203

Income Statement of the Parent Company (Unaudited)

Prepared by: Xinte Energy Co., Ltd.

From January to June 2025
Unit: RMB

Items	Notes	From January to June 2025	From January to June 2024
I. Total operating revenue		1,226,304,883.62	2,169,595,239.17
Including: Operating revenue	XV. 4	1,226,304,883.62	2,169,595,239.17
Interest income			
Premium earned			
Handling fees and commission income			
II. Total operating cost		1,179,997,365.11	2,175,792,177.13
Including: Operating cost	XV. 4	1,054,749,794.65	1,979,710,198.38
Interest expenses			
Handling fees and commission expenses			
Surrender value			
Net payment of insurance claims			
Net provision of insurance liability reserve			
Premium bonus expenses			
Reinsurance expenses			
Taxes and surcharges		13,907,588.44	14,778,741.65
Selling expenses		1,607,304.14	1,997,129.90
Administrative expenses		102,463,755.30	158,737,950.11
R&D expenses		10,186,733.83	23,432,749.29
Financial expenses		-2,917,811.25	-2,864,592.20
Including: Interest expenses		6,424,350.00	13,652,968.73
Interest income		11,492,583.76	15,425,997.44
Add: Other revenue		32,529,072.61	32,521,663.13
Investment income			
(loss is represented by "-")	XV. 5	83,774,597.61	1,809,353,580.82
Including: Investment income from associates and joint ventures		134,511,318.35	
Gains from derecognition of financial assets measured at amortized cost			
Gains from foreign exchange (loss is represented by "-")			
Gains from net exposure to hedging (loss is represented by "-")			
Gain on changes in fair value (loss is represented by "-")		6,039,935.00	-1,409,622.28
Impairment loss of credit (loss is represented by "-")		-38,469,700.46	-57,890,486.67
Impairment loss of assets (loss is represented by "-")		-961,343.02	-177,960,807.07
Gains from disposal of assets (loss is represented by "-")		13,297,895.99	231,801.50
III. Operating profit (loss is represented by "-")		142,517,976.24	1,598,649,191.47
Add: Non-operating revenue		3,761,190.37	3,401,929.06
Less: Non-operating expenses		-3,000.06	244,332.71



Income Statement of the Parent Company (Unaudited)

From January to June 2025
Prepared by: Xinte Energy Co., Ltd.

Unit: RMB

Items	From January to June 2025	From January to June 2024
IV. Total profit (total loss is represented by "-")	146,282,166.67	1,601,806,787.82
Less: Income tax expenses	-5,060,294.11	-57,651,681.17
V. Net profit (net loss is represented by "-")	151,342,460.78	1,659,458,468.99
(I) Classified by continuity of operations	151,342,460.78	1,659,458,468.99
1. Net profit from continuing operations (net loss is represented by "-")	151,342,460.78	1,659,458,468.99
2. Net profit from discontinued operation (net loss is represented by "-")		
(II) Classified by ownership		
1. Net profit attributable to owners of the parent company (net loss is represented by "-")	151,342,460.78	1,659,458,468.99
2. Profit or loss attributable to non-controlling interests (net loss is represented by "-")		
VI. Net other comprehensive income after tax	23,664,321.06	
Net other comprehensive income after tax attributable to owners of the parent company		
(I) Other comprehensive income not reclassified to profit or loss		
1. Changes arising on remeasurement of defined benefit plans		
2. Other comprehensive income accounted for using the equity method that cannot be reclassified to profit or loss		
3. Changes in fair value of investments in other equity instruments		
4. Changes in fair value of own credit risk of the Company		
5. Others		
(II) Other comprehensive income to be reclassified to profit or loss	47,328,642.12	
1. Other comprehensive income accounted for using the equity method that may be reclassified to profit or loss		
2. Changes in fair value of other debt investments	23,664,321.06	
3. Amount of financial assets reclassified into other comprehensive income		
4. Provisions for credit impairment of other debt investments		
5. Reserve for cash flow hedging (effective portion of profit or loss on cash flow hedging)		
6. Exchange differences on translation of financial statements in foreign currency		
7. Others		
Net other comprehensive income after tax attributable to non-controlling interest		

Income Statement of the Parent Company (Unaudited)

Prepared by: Xinte Energy Co., Ltd.

From January to June 2025
Unit: RMB

Items	From January to June 2025	From January to June 2024
VII. Total comprehensive income	175,006,781.84	1,659,458,468.99
Total comprehensive income attributable to shareholders of the parent company	175,006,781.84	1,659,458,468.99
Total comprehensive income attributable to non-controlling interests		
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)		
(II) Diluted earnings per share (RMB/share)		



Consolidated Statement of Cash Flows (Unaudited)

From January to June 2025

Prepared by: Xinte Energy Co., Ltd.

Unit: RMB

Items	Notes	From January to June 2025	From January to June 2024
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of services		9,267,853,706.07	12,804,171,047.20
Net increase in deposits from clients and placements from other banks			
Net increase in borrowings from central bank			
Net increase in loans from other financial institutions			
Cash received from premiums of original insurance contracts			
Net cash received from reinsurance business			
Net increase in deposits from policyholders and investments			
Cash received from interest, handling fees and commissions			
Net increase in loans from other banks			
Net increase in repurchases business fund			
Net cash received from agency security transaction			
Receipt of tax rebates		140,560,993.97	55,884,960.73
Other cash received from activities relating to operation	V. 56	238,304,683.68	324,707,040.70
Sub-total of cash inflow from operating activities		9,646,719,383.72	13,184,763,048.63
Cash paid for goods purchased and services rendered		8,267,820,060.75	10,347,314,268.83
Net increase in loans and advances to customers			
Net increase in placements with central bank and other banks			
Cash paid for claims on original insurance contracts			
Net increase in financial assets held for trading purposes			
Net increase in loans to other banks			
Cash payment for interest, handling fees and commissions			
Cash payment for premium bonus			
Cash paid to and on behalf of staff		1,091,565,021.33	1,149,362,596.08
Taxes paid		862,393,360.77	583,225,624.12
Other cash paid for activities relating to operating activities	V. 56	281,466,058.06	329,701,637.11
Sub-total of cash outflow from operating activities		10,503,244,500.91	12,409,604,126.14
Net cash flows generated from operating activities	V. 56	-856,525,117.19	775,158,922.49

Consolidated Statement of Cash Flows (Unaudited)

Prepared by: Xinte Energy Co., Ltd.

From January to June 2025
Unit: RMB

Items	Notes	From January to June 2025	From January to June 2024
II. Cash flow generated from investment activities:			
Cash received from disposal of investments		2,614,080,818.99	
Cash received from gains in investments		790,536.72	15,179,790.58
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		313,908,780.29	4,564,290.68
Net cash received from disposal of subsidiaries and other operating entities		230,458,969.65	132,636,299.46
Other cash received relating to investment activities	V. 56	5,925,196,912.64	35,253,578.64
Sub-total of cash inflow from investment activities		9,084,436,018.29	187,633,959.36
Cash paid for purchase of fixed assets, intangible assets and other long-term assets		3,277,475,344.35	2,670,382,281.23
Cash paid for investment		1,509,381,555.80	
Net increase in pledged loans			
Net cash paid for acquiring subsidiaries and other operating entities			
Other cash paid relating to investment activities	V. 56	6,609,443,157.81	3,348,425,212.35
Sub-total of cash outflow from investment activities		11,396,300,057.96	6,018,807,493.58
Net cash flow generated from investment activities		-2,311,864,039.67	-5,831,173,534.22
III. Cash flow from financing activities:			
Proceeds received from investments		1,843,333,200.00	569,713,000.00
Including: Proceeds received by subsidiaries from minority interests' investment		1,843,333,200.00	569,713,000.00
Cash received from borrowings		4,629,373,819.03	4,062,922,952.63
Cash received from issue of debt securities			
Other cash received relating to financing activities	V. 56	1,989,891,342.14	772,057,550.88
Sub-total of cash inflow from financing activities		8,462,598,361.17	5,404,693,503.51
Cash paid for repayment of debts		1,926,614,561.50	3,519,690,378.25
Cash payments for dividend and profit distribution or interest repayment		297,160,906.04	572,144,618.60
Including: Dividend and profit paid by subsidiaries to minority interests		209,835,616.44	209,835,616.44
Other cash paid relating to financing activities	V. 56	93,309,507.39	376,658,165.45
Sub-total of cash outflow from financing activities		2,317,084,974.93	4,468,493,162.30
Net cash flow generated from financing activities		6,145,513,386.24	936,200,341.21
IV. Effect on cash and cash equivalents due to changes in foreign exchange rates		7,886,309.81	2,590,831.47
V. Net increase in cash and cash equivalents		2,985,010,539.19	-4,117,223,439.05
Add: Balance of cash and cash equivalents at the beginning of the period		5,494,514,947.49	11,867,232,272.62
VI. Balance of cash and cash equivalents at the end of the period		8,479,525,486.68	7,750,008,833.57



Statement of Cash Flows of the Parent Company (Unaudited)

From January to June 2025

Prepared by: Xinte Energy Co., Ltd.

Unit: RMB

Items	From January to June 2025	From January to June 2024
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of services	1,503,149,235.76	1,503,149,235.76
Net increase in deposits from clients and placements from other banks		
Net increase in borrowings from central bank		
Net increase in loans from other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholders and investments		
Cash received from interest, handling fees and commissions		
Net increase in loans from other banks		
Net increase in repurchases business fund		
Net cash received from agency security transaction		
Receipt of tax rebates	1,362,021.31	1,362,021.31
Other cash received from activities relating to operation	50,579,858.82	50,579,858.82
Sub-total of cash inflow from operating activities	1,555,091,115.89	1,555,091,115.89
Cash paid for goods purchased and services rendered	1,477,471,245.74	1,477,471,245.74
Net increase in loans and advances to customers		
Net increase in placements with central bank and other banks		
Cash paid for claims on original insurance contracts		
Net increase in financial assets held for trading purposes		
Net increase in loans to other banks		
Cash payment for interest, handling fees and commissions		
Cash payment for premium bonus		
Cash paid to and on behalf of staff	262,096,921.37	262,096,921.37
Taxes paid	136,972,502.64	136,972,502.64
Other cash paid for activities relating to operating activities	16,568,408.16	16,568,408.16
Sub-total of cash outflow from operating activities	1,893,109,077.91	1,893,109,077.91
Net cash flows generated from operating activities	-338,017,962.02	-338,017,962.02

Statement of Cash Flows of the Parent Company (Unaudited)

Prepared by: Xinte Energy Co., Ltd.

From January to June 2025
Unit: RMB

Items	From January to June 2025	From January to June 2024
II. Cash flow generated from investment activities:		
Cash received from disposal of investments		
Cash received from gains in investments	65,163,500.00	65,163,500.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investment activities	2,500,000.00	2,500,000.00
Sub-total of cash inflow from investment activities	67,663,500.00	67,663,500.00
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	52,963,244.08	52,963,244.08
Cash paid for investment		
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid relating to investment activities	431,012,867.58	431,012,867.58
Sub-total of cash outflow from investment activities	483,976,111.66	483,976,111.66
Net cash flow generated from investment activities	-416,312,611.66	-416,312,611.66
III. Cash flow from financing activities:		
Proceeds received from investments		
Including: Proceeds received by subsidiaries from minority interests' investment		
Cash received from borrowings		
Cash received from issue of debt securities		
Other cash received relating to financing activities	2,019,524,920.42	2,019,524,920.42
Sub-total of cash inflow from financing activities	2,019,524,920.42	2,019,524,920.42
Cash paid for repayment of debts	510,000,000.00	510,000,000.00
Cash payments for dividend and profit distribution or interest repayment	13,992,241.67	13,992,241.67
Including: Dividend and profit paid by subsidiaries to minority interests		
Other cash paid relating to financing activities	1,052,220,427.93	1,052,220,427.93
Sub-total of cash outflow from financing activities	1,576,212,669.60	1,576,212,669.60
Net cash flow generated from financing activities	443,312,250.82	443,312,250.82
IV. Effect on cash and cash equivalents due to changes in foreign exchange rates	505,690.41	505,690.41
V. Net increase in cash and cash equivalents	-310,512,632.45	-310,512,632.45
Add: Balance of cash and cash equivalents at the beginning of the period	707,068,573.70	707,068,573.70
VI. Balance of cash and cash equivalents at the end of the period	396,555,941.25	396,555,941.25



Prepared by: Xinte Energy Co., Ltd.

	From January to June 2025											
	Equity attributable to the shareholders of the parent company								Total			
Items	Share capital	Preference shares	Paperual bonds	Others	Capital reserve	Less: Treasury shares	comprehensive income	Other	shareholders' equity			
I. Balance at the end of previous year	1,430,000,000.00				9,833,949,220.16		-135,337,283.02	41,180,844.93	981,955,892.67	32,793,340,290.46	2,500,384,954.15	35,293,725,244.61
Add: Changes in accounting policy												
Prior-period error correction												
Merger of enterprises under common control												
Others												
II. Balance at the beginning of the current year	1,430,000,000.00				9,833,949,220.16		-135,337,283.02	41,180,844.93	981,955,892.67	32,793,340,290.46	2,500,384,954.15	35,293,725,244.61
III. Amount of increase/decrease/change in the current period												
(Decrease is represented by "-")												
(I) Total comprehensive income							31,282,924.50	25,325,115.50	-256,290,926.26	-199,081,888.26	1,910,488,826.07	1,711,406,937.80
(II) Contribution and reduction of capital by shareholders							31,282,924.50		-256,290,926.26	-225,008,003.76	-51,056,865.53	-276,064,689.29
1. Ordinary shares contributed by shareholders											1,961,183,910.42	1,961,183,910.42
2. Capital contributed by other equity instrument holders												
3. Amount included in Shareholders' equity in share payment												
4. Others											1,961,183,910.42	1,961,183,910.42
(III) Profit distribution												
1. Withdrawal of surplus reserves												
2. Withdrawal of general risk reserve												
3. Distributions to shareholders												
4. Others												
(IV) Carry-forward of Shareholders' equity												
1. Conversion of capital reserves to increase share capital												
2. Conversion of surplus reserves to increase share capital												
3. Making up of losses by surplus reserves												
4. Carry-forward of retained earnings from changes in defined benefit plans												
5. Carry-forward of retained earnings from other comprehensive income												
6. Others												
(V) Special reserves								25,325,115.50		25,926,115.50	361,691.17	26,287,716.67
1. Current withdrawal								61,597,291.06		61,597,291.06	542,763.63	62,140,054.69
2. Current use								35,671,175.56		35,671,175.56	181,162.46	35,852,338.02
(VI) Others												
IV. Balance at the end of the current period	1,430,000,000.00				9,833,949,220.16		-104,054,358.52	67,109,960.43	981,955,892.67	32,594,258,402.20	4,410,873,780.22	37,005,132,182.41

From January to June 2025
Unit: RMB

Items	Share capital	Preference shares	Other equity instruments Perpetual bonds	Equity attributable to the shareholders of the parent company					2024				Total shareholders' equity		
				Others	Capital reserve	Less: Treasury shares	comprehensive income	Other	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Sub-total	Non-controlling interest
I. Balance at the end of previous year	1,430,000,000.00				9,436,990,755.09		-4,045,436.00	21,654,476.17	981,955,892.67	24,544,471,052.21				38,413,036,740.14	4,818,824,226.66
Add: Changes in accounting policy															
Prior-period error correction															
Merger of enterprises under common control															
Others															
II. Balance at the beginning of the current year	1,430,000,000.00				9,436,990,755.09		-4,045,436.00	21,654,476.17	981,955,892.67	24,544,471,052.21				38,413,036,740.14	4,818,824,226.66
III. Amount of increase/decrease/change in the current period (decrease is represented by "-")					396,938,465.07		-131,291,847.02	195,16388.76							
(I) Total comprehensive income							-131,291,847.02								
(II) Contribution and reduction of capital by shareholders															
1. Ordinary shares contributed by shareholders															
2. Capital contributed by other equity instrument holders															
3. Amount included in Shareholders' equity in share payment															
4. Others															
(III) Profit distribution															
1. Withdrawal of surplus reserves															
2. Withdrawal of general risk reserve															
3. Distributions to shareholders															
4. Others															
(IV) Carry-forward of Shareholders' equity															
1. Conversion of capital reserves to increase share capital															
2. Conversion of surplus reserves to increase share capital															
3. Making up of losses by surplus reserves															
4. Carry-forward of retained earnings from changes in defined benefit plans															
5. Carry-forward of retained earnings from other comprehensive income															
6. Others															
(V) Special reserves															
1. Current withdrawal															
2. Current use															
(VI) Others															
IV Balance at the end of the current period	1,430,000,000.00				9,833,949,220.16		-136,337,283.02	41,180,844.93	981,955,892.67	20,641,591,616.72				32,793,340,290.46	2,500,384,954.15



Statement of Changes in Shareholders' Equity of the Parent Company (Unaudited)

From January to June 2025

Prepared by: Xinte Energy Co., Ltd.

Unit: RMB

Items	Other equity instruments				From January to June 2025				Total shareholders' equity
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Treasury shares	Less comprehensive income	Other	
I. Balance at the end of previous year	1,430,000,000.00				9,280,740,942.59		-129,175,789.32	1,288,371.30	20,202,332,942.84
Add: Changes in accounting policy									
Prior-period error correction									
Others									
II. Balance at the beginning of the current year	1,430,000,000.00				9,280,740,942.59		-129,175,789.32	1,288,371.30	20,202,332,942.84
III. Amount of increase/decrease/change in the current period (decrease is represented by "-")									
(I) Total comprehensive income							23,664,321.06	7,663,100.27	182,669,882.11
(II) Contribution and reduction of capital by shareholders							23,664,321.06		175,006,781.84
1. Ordinary shares contributed by shareholders									
2. Capital contributed by other equity instrument holders									
3. Amount included in Shareholders' equity in share payment									
4. Others									
(III) Profit distribution									
1. Withdrawal of surplus reserves									
2. Distributions to shareholders									
3. Others									
(IV) Carry-forward of Shareholders' equity									
1. Conversion of capital reserves to increase share capital									
2. Conversion of surplus reserves to increase share capital									
3. Making up of losses by surplus reserves									
4. Carry-forward of retained earnings from changes in defined benefit plans									
5. Carry-forward of retained earnings from other comprehensive income									
6. Others									
(V) Special reserves									
1. Current withdrawal									
2. Current use									
(VI) Others									
IV. Balance at the end of the current period	1,430,000,000.00				9,280,740,942.59		-105,511,468.26	8,951,471.57	20,385,002,824.95

Statement of Changes in Shareholders' Equity of the Parent Company (Unaudited)

Prepared by: Xinte Energy Co., Ltd.

2024
Unit: RMB

Items	2024							Total shareholders' equity
	Share capital	Preference shares	Other equity instruments Perpetual bonds	Others	Capital reserve	Less: Treasury shares	Other comprehensive income	
					Special reserve	Surplus reserve	Undistributed profit	Others
I. Balance at the end of previous year	1,430,000,000.00				9,175,136,689.81		8,504,273,648.53	20,089,749,147.08
Add: Changes in accounting policy								
Prior-period error correction								
Others								
II. Balance at the beginning of the current year	1,430,000,000.00				9,175,136,689.81		8,504,273,648.53	20,089,749,147.08
III. Amount of increase/decrease/change in the current period (decrease is represented by "-")								
(i) Total comprehensive income					105,604,242.78		134,886,988.00	112,583,795.76
(ii) Contribution and reduction of capital by shareholders							134,886,988.00	5,691,178.68
1. Ordinary shares contributed by shareholders					105,604,242.78			105,604,242.78
2. Capital contributed by other equity instrument holders								
3. Amount included in Shareholders' equity in share payment								
4. Others								
(iii) Profit distribution					105,604,242.78			105,604,242.78
1. Withdrawal of surplus reserves								
2. Distributions to shareholders								
3. Others								
(iv) Carry-forward of Shareholders' equity								
1. Conversion of capital reserves to increase share capital								
2. Conversion of surplus reserves to increase share capital								
3. Making up of losses by surplus reserves								
4. Carry-forward of retained earnings from changes in defined benefit plans								
5. Carry-forward of retained earnings from other comprehensive income								
6. Others								
(v) Special reserves					1,288,374.30			1,288,374.30
1. Current withdrawal					28,132,108.73			28,132,108.73
2. Current use					26,843,734.43			26,843,734.43
(vi) Others								
IV. Balance at the end of the current period	1,430,000,000.00				9,280,740,942.59		8,639,140,616.53	20,202,532,942.84



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

I. GENERAL INFORMATION OF THE COMPANY

(I) Company Profile

1. Name of the Company: Xinte Energy Co., Ltd. (the Company, together with its subsidiaries, the Group)
2. Date of establishment of the Company: 20 February 2008
3. Registered capital: RMB1.43 billion (RMB1,430,000,000.00)
4. Address: No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang
5. Legal representative: Yang Xiaodong
6. On 30 December 2015, the H shares issued by the Company were listed on the Main Board of the Hong Kong Stock Exchange
7. Scope of business: manufacturing of non-metallic mineral products; sales of non-metallic minerals and products; manufacturing of PV equipment and components; sales of PV equipment and components; manufacturing of electronic specialized materials; sales of electronic specialized materials; manufacturing of special ceramic products; sales of special ceramic products; manufacturing of synthetic materials (excluding hazardous chemicals); sales of synthetic materials; sales of metal matrix composite materials and ceramic matrix composite materials; sales of graphite and carbon products; processing and treatment of non-metallic waste and scrap; import and export of goods; import and export of technology; technology service, technology development, technology consultation, technology exchange, technology transfer, technology promotion; sales of machinery and equipment; sales of mechanical and electrical equipment; sales of metal materials; sales of building materials; house leasing; non-residential real estate leasing. (Except for items that need to be approved according to law, business activities can be carried out independently with business licenses according to law) approved items: installation, maintenance and testing of power transmission, supply and reception facilities; power generation business, power transmission business, power supply (distribution) business; production of hazardous chemicals; road freight transportation (excluding hazardous goods); international road freight transportation. (For items that require approval according to law, business activities can be carried out only upon approval by relevant authorities, and specific business items shall be subject to approval documents or licenses from relevant authorities).



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

I. GENERAL INFORMATION OF THE COMPANY (continued)

(I) Company Profile (continued)

8. Parent company and ultimate holding company of the Company: TBEA Co., Ltd. (特變電工股份有限公司), the legal domicile of which is No. 189, Beijing South Road, Changji City, Changji Prefecture, Xinjiang.
9. Company registration number/unified social credit code: 916500006702303076

(II) Nature of Business

The Group's polysilicon business falls within the "computer, communication and other electronic equipment manufacturing industry", wind power and PV power plants development and construction business falls within "professional technical services", and wind power and PV power plants operation business falls within the "electricity and heat production and supply industry".

(III) Main Business

The Group is principally engaged in the research and development ("**R&D**"), production and sale of high purity polysilicon, the development, construction and operation of wind power and PV power plants, and the manufacture and sale of electrical equipment including inverters, static VAR generator ("**SVG**") and flexible direct current ("**DC**") transmission converter valves ("**FDC Converter Valve**").

II. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

1. Basis of preparation

The financial statements of the Group have been prepared based on transactions and events that have actually occurred, in accordance with the Accounting Standards for Business Enterprises and its application guidance, interpretations and other related requirements issued by the Ministry of Finance (the "**ASBE**") and relevant disclosure provisions under the Hong Kong Companies Ordinance and the Listing Rules of the Hong Kong Stock Exchange.

2. Going concern

The Group has a recent history of profitable operation and financial resources to support its operation, and believes that it is reasonable to prepare the financial statements on a going concern basis.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Specific accounting policies and accounting estimates indication: specific accounting policies and accounting estimates developed by the Group according to characteristics of actual production and operation include business cycle, the recognition and measurement of provisions for bad debts from receivables, the measurement of inventory dispatched, fixed assets classification and depreciation methods, amortization of intangible assets, conditions for capitalizing R&D expenses, recognition and measurement of incomes, etc.

1. Statement of compliance with the ASBE

The Group declares that the financial statements prepared comply with the ASBE, which reflect the financial position, results of operation and cash flow of the Company and the Group truly and completely.

2. Accounting period

The accounting period of the Group is from 1 January to 31 December of each calendar year.

3. Business cycle

The business cycle of the Group is 12 months.

4. Recording currency

Renminbi (“**RMB**”) is the currency of the main economic environment where the Company and its domestic subsidiaries operate and is therefore their recording currency. The recording currency of the overseas subsidiaries of the Company is determined based on the main economic environment where they operate. The currency adopted by the Group for the preparation of these financial statements is RMB.

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

5. Determination method and selection basis of materiality criteria

Disclosures involving judgments on materiality criteria	Determination method and selection basis of materiality criteria
Significant receivables with provision for bad debt made on individual basis	The amount of receivables with provision for bad debt made on individual basis exceeds RMB30 million
Significant amount of receivables with provision for bad debt recovered or reversed	The amount of single receivables with provision for bad debt recovered or reversed exceeds RMB10 million
Significant write-off of receivables	The amount of single receivables write-off exceeds RMB10 million
Significant prepayments/dividends receivable aged more than one year	The amount of single prepayments/dividend receivable aged more than one year exceeds RMB10 million
Significant changes in the carrying amount of contract assets	The amount of changes in the carrying amount of contract assets accounts for 30% of the opening balance of contract assets or the amount exceeds RMB100 million
Significant construction in progress	The amount of single construction in progress exceeds RMB100 million
Significant capitalized R&D projects	The amount of single capitalized R&D project exceeds RMB50 million
Significant accounts payable/other payables/contract liabilities aged more than one year	The amount of single and significant accounts payable aged more than one year exceeds RMB100 million, and the amount of single and significant other payables/contract liability aged more than one year exceeds RMB50 million
Significant changes in the carrying amount of contract liabilities	The amount of changes in the carrying amount of contract liabilities accounts for 30% of the opening balance of contract liabilities or the amount exceeds RMB100 million
Significant non-wholly owned subsidiaries	The amount of any one of total revenue, net profit, net assets and total assets of non-wholly owned subsidiaries accounts for more than 8% of the Group's consolidated amount for any one item
Significant joint ventures or associates	The carrying amount of long-term equity investments in single associate/joint venture accounts for more than 5% of the Group's net assets, or the investment profit or loss under the equity method of long-term equity investments accounts for more than 8% of the Group's consolidated net profit
Significant contingencies	Single contingency of the Group which may affect an amount exceeding 5% of the Group's net assets, or contingencies deemed to be significant by management in light of the specific circumstances in which the Group operates
Significant commitments	Single commitment of the Group which may affect an amount exceeding 5% of the Group's net assets, or commitments deemed to be significant by management in light of the specific circumstances in which the Group operates



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

6. Accounting treatment method for business merger under common control and different control

The assets and liabilities acquired by the Group, as the combination party, from a business merger under common control should be measured at the book value in consolidated statements of the ultimate controlling party of the combined party at the merger date. The difference between the book value of the net assets obtained and the book value of the consideration of the merger paid shall be used to adjust the capital reserves; where the capital reserves are not sufficient to be offset, the retained earnings shall be adjusted.

The identifiable assets, liabilities and contingent liabilities of the acquiree acquired in the business merger under different control are measured at fair value at the acquisition date. The cost for merging is the sum of the fair value of cash or non-cash assets paid, liabilities issued or assumed, equity securities issued, etc. for obtaining the control power of the acquiree by the Group at the purchase date and various direct related expenses in the business merger (in the business merger realized step by step through several transactions, the cost for merging is the sum of the cost for each single transaction). The difference between the cost of merging and the fair value of the identifiable net assets of the acquiree obtained by the Group in business merger shall be recognized as goodwill; if the cost of merging is less than such fair value, the fair value of various identifiable assets, liabilities and contingent liabilities obtained in business merger and the fair value of non-cash assets or equity security issued in the consideration of merger shall be re-checked first. If the re-checked cost of merger is still less than such fair value, the difference shall be included into current non-operating revenue.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

7. Preparation methods of consolidated financial statements

The Group incorporates all subsidiaries and structured entities controlled by it into the scope of consolidated financial statements.

When preparing consolidated financial statements, if the accounting policy or the accounting period adopted is inconsistent between the subsidiaries and the Company, necessary adjustments shall be made to the financial statements of subsidiaries according to the accounting policy or the accounting period of the Company.

All significant internal transactions, current balances and unrealized profits within the scope of the merger are offset in preparing consolidated statements. Shares in owners' equity of subsidiaries but not attributed to the parent company, net profit or loss for the current period, other comprehensive income and shares attributed to non-controlling interests in total comprehensive income shall be listed in consolidated financial statements as "non-controlling interests, non-controlling profit or loss, other comprehensive income attributed to minority shareholders and total comprehensive income attributed to minority shareholders, respectively".

Operating results and cash flows of subsidiaries which are acquired by business merger under common control are included into consolidated financial statements at the beginning of the current period of the merger. Upon the preparation of comparative consolidated financial statements, any adjustments to relevant items in financial statements of the previous year are considered as the subject of reports formed after the merger as if they have existed since the ultimate controlling party assumed control.

Under the circumstance that the equity of the investee is obtained under the common control through multiple transactions step by step, which results in business merger, such equity shall be adjusted in the preparation of consolidated financial statements as if they might have existed as the current state from the time when final controlling party takes the control. When preparing comparative accounts, relevant assets and liabilities of the acquiree are included in comparative accounts of consolidated financial statements of the Group according to the restriction that the time above shall be later than the time when the Group and the acquiree are under the common control of final controlling party, moreover, increased net assets resulting from the merger are adjusted as relevant items under owners' equity in the comparative accounts. In order to avoid repeated calculation of the value of net assets of the merged party, the long-term equity investment held by the Group before the merger is achieved, the changes in relevant profits or losses, other comprehensive incomes and other net assets that have been recognized in the period from the later date, when the long-term equity investment is acquired and when the Group and the acquiree are under the final control of the same party, to the merger date, shall respectively be applied to write off the opening retained earnings or current profits or losses during the period of comparative statement.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

7. Preparation methods of consolidated financial statements (continued)

As for subsidiaries acquired by business merger under the different control, operating results and cash flows shall be incorporated into consolidated financial statements from the date when the Group takes the control. In preparing consolidated financial statements, adjustments to financial statements of subsidiaries are based on the fair value of identifiable assets, liabilities and contingent liabilities, which is identified at the purchase date.

Where control right over the investee is lost due to the disposal of partial equity investment of the Group or other reasons, the residual equity will be re-calculated based on the fair value thereof on the day the control is lost when preparing the consolidated financial statements. The difference between the sum of the consideration obtained from the equity disposal and the fair value of the residual equity minus the share of the net assets of the original subsidiaries calculated continuously in proportion to the original holdings from the purchase date or date of merging shall be recorded into the investment profit or loss of the current period in which the control right is lost, with goodwill written off simultaneously. Other comprehensive income related to the equity investment of the original subsidiaries shall be converted to the current investment profit or loss when losing the control right.

8. Classification of joint arrangements and accounting treatment method for joint operations

The Group's joint arrangements include joint operations and joint ventures. In projects for joint operation, for assets held and liabilities assumed solely, which are confirmed by the Group as the joint-venture party in joint operation and assets held and liabilities assumed according to shares, their relevant income and costs shall be determined as per related individual agreements or shares. If purchases or sales related to joint operation are not construed as assets transactions of business, it should only determine parts which belong to other participants of joint operation in profit or loss arising from such transactions.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

9. Cash and cash equivalents

Cash shown in the cash flow statement of the Group refers to the cash on hand and deposits that are available for payment at any time. Cash equivalent refers to investments which have a holding period of not more than 3 months, and are of strong liquidity and readily convertible to known amounts of cash with low risk of value change.

10. Foreign currency operations and translation of foreign currency financial statements

(1) Foreign currency transaction

The foreign currency amount in a foreign currency transaction of the Group is converted into an amount in RMB based on the spot exchange rate on the transaction date. Monetary items calculated in foreign currency in the balance sheet shall be translated into RMB at the spot exchange rate on the balance sheet date; the exchange difference shall be included in current profit or loss directly, after disposal of the balance of exchange that is formed by special foreign currency loans borrowed for acquiring or producing assets which meet capitalized terms. Foreign currency non-monetary items calculated at fair value are converted into RMB by using the spot rate on the date when the fair value is determined. The generated conversion difference is included in current profits or losses directly as the change of fair value. Foreign currency non-monetary items measured at historical cost are still converted based on the spot exchange rate on the transaction date, with the RMB amount unchanged.

(2) Translation of financial statements in foreign currency

The asset and liability items in the foreign currency balance sheet shall be translated as per the spot exchange rate on the balance sheet date; the owner's equity items, except for the item of "undistributed profit", shall be translated as per the spot exchange rate at the time of business occurrence; the income and expenditure items in the income statement shall be translated as per the spot exchange rate on the transaction date. The translation differences in the foreign currency financial statements arising from the above translations shall be listed in the owner's equity items separately. Foreign currency cash flow is translated as per the spot exchange rate on the date when the said cash flow occurs. The amount of influence of exchange rate change on cash shall be listed in the cash flow statement separately.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial assets and financial liabilities

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument.

(1) Financial assets

1) *Classification, determination basis and measurement method of financial assets*

The Group classifies financial assets based on the business model of managing financial assets and the contractual cash flow characteristics of financial assets as financial assets measured at amortized cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss.

The Group classifies financial assets meeting both of the following conditions into financial assets at amortized cost: ① the financial asset is held within a business model with the objective to hold the financial assets in order to collect contractual cash flows; ② the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Such financial assets are initially measured at fair value, and related transaction costs are included in the initial recognition amount; the amounts are subsequently measured at amortized cost. Such financial assets which are not part of a hedging relationship are amortized and impaired using the effective interest method, the exchange gains and losses and the gains or losses arising from derecognition are included in profit or loss for the current period. The financial assets classified into this category by the Group include accounts receivable, other receivables, etc.

The Group classifies financial assets meeting both of the following conditions into financial assets at fair value through other comprehensive income: ① the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial assets; ② the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Such financial assets are initially measured at fair value, and related transaction costs are included in the initial recognition amount. Gains or losses arising from such financial assets which are not part of a hedging relationship, other than credit impairment losses or gains, exchange gains or losses and interest on such financial assets calculated using the effective interest method, are included in other comprehensive income. Upon derecognition of the financial assets, the cumulative gains or losses previously included in other comprehensive income shall be transferred out and be included in profit or loss for the current period. The financial assets classified into this category by the Group include other debt investments, other equity instrument investments, receivables financing, etc.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial assets and financial liabilities (continued)

(1) Financial assets (continued)

1) *Classification, determination basis and measurement method of financial assets (continued)*

The Group recognizes interest income using the effective interest method. Interest income is calculated and determined by multiplying the effective interest rate by the carrying balance of the financial asset, except: ① for the purchased or internally generated credit-impaired financial assets, their interest income is calculated and determined based on amortized cost and credit-adjusted effective interest rate of such financial assets since the initial recognition; and ② for the purchased or internally generated financial assets without credit-impairment but subsequently becoming credit-impaired, their interest income is calculated and determined based on amortized costs and effective interest rate of such financial assets in subsequent periods.

The Group designates the investments in equity instruments not held for trading as financial assets at fair value through other comprehensive income. Such designation cannot be revoked once made. The investments in equity instruments not held for trading designated as at fair value through other comprehensive income by the Group are initially measured at fair value with related transaction costs to be included in the initial recognition amount. Except for any received dividends (excluding those belonging to the recovery of the investment costs) which are included in profit or loss for the current period, other related gains or losses are included in other comprehensive income and may not be transferred to the current profit or loss subsequently. Upon derecognition, the cumulative gains or losses previously included in other comprehensive income shall be transferred out and be included in retained earnings.

Other than the above financial assets classified as financial assets measured at amortized cost and financial assets at fair value through other comprehensive income, the Group classifies its financial assets as financial assets at fair value through profit or loss. Such financial assets are initially measured at fair value with related transaction costs to be directly included in profit or loss for the current period. Gains or losses on such financial assets are included in profit or loss for the current period. The financial assets classified into this category by the Group include financial assets held for trading.

Financial assets arising from contingent consideration recognized by the Group during the business merger under different control, are classified as financial assets at fair value through profit or loss.

When the Group changes its business model of managing financial assets, it reclassifies all affected financial assets.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial assets and financial liabilities (continued)

(1) Financial assets (continued)

2) *Recognition and measurement of transfer of financial assets*

The Group derecognizes financial assets if one of the following conditions is met: ① the contractual rights to collect the cash flows from the financial asset expire; ② the financial asset has been transferred, and the Group has transferred substantially all the risks and rewards of ownership of the financial asset; ③ the financial asset has been transferred, and the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, and it has not retained control over such financial asset.

If the transfer of financial assets partially meets the conditions of derecognition, the difference between the carrying amount of the transferred financial assets on the date of derecognition and the sum of the consideration received from the transfer and the accumulative amount of the changes in the fair value originally included in other comprehensive income which shall be apportioned to the derecognized portion (when the transferred financial assets meet the following conditions: the financial asset is held within a business model with the objective of holding the financial assets in order to collect contractual cash flows; where the contractual terms of the financial assets give rise on specific dates to cash flows that are solely payments of interest on the principal amount), are included in profit or loss for the current period.

If the transfer of financial asset partially meets the conditions of derecognition, the entire carrying amount of the transferred financial asset is, between the portion which is derecognized and the portion which is not, apportioned according to their respective relative fair value, and the difference between the sum of the consideration received from the transfer and the accumulative amount of the changes of the fair value originally included in other comprehensive income which shall be apportioned to the derecognized portion (when the transferred financial assets meet the following conditions: the financial asset is held within a business model with the objective to hold the financial assets in order to collect contractual cash flows; where the contractual terms of the financial assets transferred give rise on specific dates to cash flows that are solely payments of interest on the principal amount), and the apportioned entire carrying amount of the said financial assets are included in profit or loss for the current period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial assets and financial liabilities (continued)

(2) Financial liabilities

1) *Classification, recognition and measurement of financial liabilities*

Except for the following, the Group classifies its financial liabilities as financial liabilities measured at amortized cost, and measured at amortized cost subsequently using the effective interest method:

① financial liabilities at fair value through profit or loss (inclusive of derivatives of such financial liabilities), including held-for-trading financial liabilities and financial liabilities designated as at fair value through profit or loss on initial recognition, such financial liabilities are subsequently measured at fair value. Any gains or losses arising from changes in the fair value and any dividend or interest income earned on the financial liabilities are included in profit or loss for the current period.

② financial liabilities arising from financial assets of which the transfer does not meet the conditions of derecognition or continuing involvement in the transferred financial assets. The Group measured such financial liabilities in accordance with the relevant standards for the transfer of financial assets.

③ financial guarantee contracts that do not fall within the range of ① or ②, and loan commitments that do not fall within the range of above ① and are at a rate less than the market interest rate. As the issuer of such financial liabilities, the Group shall measure such financial liabilities at the higher of the amount of loss provision determined in accordance with the relevant standards for impairment of financial instruments and the amount initially recognized less cumulative amortization amount determined in accordance with the relevant regulations set out in revenue standard.

Financial liabilities arising from contingent consideration recognized by the Group as the purchaser during the business merger under different control, are accounted for at fair value through profit or loss.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial assets and financial liabilities (continued)

(2) Financial liabilities (continued)

2) *Derecognition conditions of financial liabilities*

When the present obligation of such financial liability was wholly or partially discharged, that financial liability or the discharged obligation shall be derecognized. If the Group and a creditor enter into an agreement to replace the existing financial liability with a new financial liability on substantially different terms, the existing financial liability shall be derecognized, whereas the new financial liability shall be recognized. Where the Group made substantial modifications to the terms of the existing financial liabilities in whole or in part, it derecognizes the existing financial liability in whole or in part and recognizes the financial liability with the revised terms as a new financial liability. The difference between the book value of the derecognized part of financial liability and the consideration paid is included in profit or loss for the current period.

(3) Method for determination of fair values of financial assets and financial liabilities

Fair values of financial assets and financial liabilities of the Group are measured at the prices in principal market. In case there is no principal market, fair values of financial assets and financial liabilities are calculated using the price which is the most beneficial to the market, and using valuation techniques which is the most appropriate at that time and with sufficient available data and other information. The inputs which are used to measure the fair value have been divided into 3 levels: Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities on the measurement date; Level 2 are inputs for the asset or liability (other than those included in Level 1) that are either directly or indirectly observable; Level 3-inputs are unobservable inputs to the related assets or liabilities. The Level 1 inputs are the priority to use by the Group, and level 3 inputs will be the last one to use. The Level 1 inputs shall be applied to the financial assets held for trading. The level of fair value measurement is determined by the lowest level of inputs which are significant to the measurement of fair value as a whole.

The Group's investments in equity instruments are measured at fair value. However, in limited circumstances, if the short-term information used to determine the fair value is insufficient, or the possible estimated amount of fair value is widely distributed, and the cost represents the best estimate of the fair value within the scope, the cost may represent appropriate estimates of fair value within the distribution.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial assets and financial liabilities (continued)

(4) Offset of financial assets and financial liabilities

The Group's financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other. However, they are presented in the balance sheet in net amounts after offsetting each other if the following conditions are met: (1) the Group has a legal right to offset the recognized amounts and such legal right is currently enforceable; (2) the Group intends either to settle on a net basis, or to realize the financial assets and settle the financial liabilities simultaneously.

(5) The distinction between financial liabilities and equity instruments and related treatment methods

The Group distinguishes financial liabilities and equity instruments according to the following principles: 1) if the Group cannot unconditionally avoid fulfilling a contractual obligation by paying cash or other financial assets, the contractual obligation is consistent with the definition of financial liability. Some financial instruments, although not explicitly containing the terms and conditions of settling cash or other financial assets obligations, may indirectly form contractual obligations through other terms and conditions; 2) if a financial instrument is required or can be settled by the Group's own equity instruments as to it is necessary to consider the Group's own equity instruments used to settle the instrument, whether it is a substitute for cash or other financial assets, or for the holder of the instrument to enjoy the remaining interest in the assets of the issuer after deducting all liabilities. In the former case, the instrument is the issuer's financial liability; if it is the latter, the instrument is the issuer's equity instrument. In some cases, a financial instrument contract stipulates that the Group is required to or may settle the financial instrument with its own equity instruments, where the amount of contractual rights or contractual obligations equals the number of equity instruments available or to be delivered multiplied by the fair value at settlement. Whether the amount of the contractual rights or obligations is fixed, or totally or partly based on changes in variables other than the market price of the Group's own equity instruments (interest rate, price of a commodity, or price of a financial instrument), the contract is classified as a financial liability.

When the Group classifies financial instruments (or their components) in the consolidated statements, it considers all the terms and conditions between the group members and the holders of financial instruments. If the Group as a whole assumes the obligation to settle cash, other financial assets, or other means of causing the instrument to become a financial liability due to the financial instruments, the instrument should be classified as a financial liability.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial assets and financial liabilities (continued)

(5) The distinction between financial liabilities and equity instruments and related treatment methods (continued)

If the financial instrument or its components are classified as financial liabilities, the relevant interest, stock dividends (or dividends), gains or losses, and gains or losses arising from redemption or refinancing are included in profit or loss for the current period.

If the financial instrument or its component is an equity instrument, it is treated as a change in equity when it is issued (including refinancing), repurchased, sold or canceled, and no change in the fair value of the equity instrument is recognized.

12. Notes receivable

Determination method and accounting treatment of expected credit loss of notes receivable:

Notes receivable are divided into different portfolios and the accounting estimation policies for the expected credit loss thereof are determined by the Group based on the shared characteristics of acceptors' credit risks:

Category of portfolio	Basis for determining the portfolio	Method for measuring expected credit loss
Bank acceptance notes	The acceptor is a bank or financial company with less credit risk	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, calculate expected credit loss through exposure at default and lifetime expected credit loss rate
Trade acceptance notes	The acceptor is an enterprise with a higher credit risk	

The Group calculates the expected credit loss for notes receivable on the balance sheet date. If the expected credit loss is higher than the book value of the current provision for the impairment of the notes receivable, the Group will recognize such difference as impairment loss of the notes receivables, which will be debited to "impairment loss of credit" and credited to "provision for bad debt". Otherwise, the Group will recognize such difference as impairment gain and make the opposite accounting records.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

12. Notes receivable (continued)

Where the Group actually incurs credit loss and determines that the relevant notes receivable cannot be recovered, if the receivables have been approved for cancellation after verification, the Group shall be debited to “provision for bad debt” and credited to “notes receivable” according to the approved amount of write-off. If the amount of write-off is greater than the accrued loss provision, the “impairment loss of credit” shall be debited according to the difference.

13. Provision for bad debt of receivables

- (1) The Group always measures the loss provisions for receivables which are formed by the transaction specified by the Accounting Standards for Business Enterprises No. 14 — Revenue and does not include the significant financing component according to the amount of lifetime expected credit loss. The Group adopted the Accounting Standards for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments (Cai Kuai (2017) No. 7), and based on the Group’s historical bad debt loss, reviewed the appropriateness of the provision for bad debts of accounts receivable in previous years. The Group considered that there is a correlation between the probability of default and the aging, and the aging is still an indicator of whether the credit risk of the Group’s accounts receivable has increased significantly. Therefore, the credit risk loss of the Group’s accounts receivable is estimated based on the aging and the original loss ratio for the previous years. The accounting estimation policies of the Group to measure the expected credit loss of accounts receivable are as follows:

The assessment based on the portfolio is as follows. For accounts receivable, the Group is unable to obtain sufficient evidence of a significant increase in credit risk at a reasonable cost at the level of individual instruments, whereas it is feasible to assess whether credit risk increases significantly on the basis of the portfolio. Therefore, the Group divides the accounts receivable into groups, considers and assesses whether there is a significant increase in credit risk on a portfolio basis by taking the items such as the types of financial instruments, credit risk rating, collateral type, initial recognition date and residual contract duration, the industry where the debtor operates, geographical location of the debtor, and value of collaterals relative to financial assets as the common risk characteristics.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

13. Provision for bad debt of receivables (continued)

(2) Measurement of expected credit loss

The Group calculates the expected credit loss of accounts receivable on the balance sheet date. If the expected credit loss is higher than the book value of the current provision for the impairment of accounts receivable, the Group will recognize such difference as impairment loss of the accounts receivable, which will be debited to “impairment loss of credit” and credited to “provision for bad debt”. Otherwise, the Group will recognize such difference as impairment gain and make the opposite accounting records.

Where the Group actually incurs credit loss and determines that the relevant accounts receivable cannot be recovered, if the receivables have been approved for cancellation after verification, the Group shall be debited to “provision for bad debt” and credited to “Accounts receivable” according to the approved amount of write-off. If the amount of write-off is greater than the accrued loss provision, the “impairment loss of credit” shall be debited according to the difference.

Based on the actual credit losses in previous years, and considering the prospective information in the current year, the accounting estimation policies to measure the expected credit loss are as follows: the Group determines the expected credit loss rate in a single item for accounts receivable with significantly different credit risks; in addition to determining the expected credit loss rate for accounts receivable in a single item, the Group adopts the expected credit loss model based on the characteristics of aging, calculates the expected credit loss of accounts receivable through default risk exposure of accounts receivable and expected credit loss rate, and determines the expected credit loss rate based on the default probability and loss given default.

Should the Group transfer receivables to financial institutions without recourses, the difference between the trade amount excluding written off the book value of accounts receivable and relevant taxes is recognised in profit or loss for the current period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

14. Receivables financing

Receivable financing items reflect notes receivable and accounts receivable at fair value through other comprehensive income on the balance sheet date. According to the needs of its daily fund management, the Group discounts and endorses certain bank acceptance bills, and factorizes a part of accounts receivable. Based on the sales frequency and amount as well as internal management, such financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and sell the financial assets, and the characteristics of the contractual cash flows of such financial assets are consistent with the basic borrowing arrangements.

At the time of initial recognition, the fair value usually equals the trading price; if there exists a difference, distinctions should be made in the following situations:

- (1) At the time of initial recognition, if the fair value of the financial asset or financial liability is set by the quoted price of identical asset or liability in an active market, or merely determined by the valuation techniques using observable market data, the difference between fair value and trading price is recognised as a gain or loss.
- (2) At the time of initial recognition, if the fair value of the financial asset or financial liability is set by other means, the difference between fair value and trading price should be deferred. After the initial recognition, the deferred difference will be recognised as gains or losses in the corresponding accounting period depending on the degree of volatility of a certain factor within the period. This factor should only be restricted to those considered by the market participants when pricing the financial instrument, including time, etc.

All the gains and losses that arise from the financial asset at fair value through other comprehensive income should be charged to other comprehensive income, except for those generated by impairment and exchange differences, until the derecognition or the reclassification of the financial asset.

When the financial asset is derecognised, the accumulative gains or losses which were previously charged to other comprehensive income should be transferred out and included in profit or loss for the current period.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

15. Inventories

The Group's inventories mainly include raw materials, low-value consumables, packaging materials, works in progress, commissioned processing materials, semi-finished goods, goods in stock, goods in transit, contract performance costs and new energy power stations, etc.

The perpetual inventory system is adopted by the Group. Goods in stock is valued at actual cost when acquired. The weighted average method is used to determine the actual cost of the inventory used or issued. Low-value consumables are amortised at one time when they are used. The closing inventories are valued at cost or net realizable value, whichever is lower. For the estimated irrecoverable part of cost due to inventory damage, obsolescence of all or partial inventories, or sale price lower than the cost, provisions for impairment of inventories are accrued. The net realizable value of inventories is determined on the basis of clear evidence obtained, taking into account the purpose of holding inventories and the effect of events after the balance sheet date.

After the provision for impairment of inventories is made, if the circumstances that previously caused inventories to be written-off no longer exist so that the net realizable value of inventories is higher than their carrying amount, the original provision for impairment of inventories is reversed and the reversed amount is recognised in profit or loss for the current period.

16. Contract assets

(1) Methods and standards for the determination of contract assets

Contract assets refer to the rights to receive consideration for the transfer of goods by the Group to its customers, and that right depends on factors other than the passage of time. If the Group sells two commodities that can be clearly distinguished to its customers, under which condition the Group has the right to collect money because one of the commodities has been delivered, while the collection of money also depends on the delivery of the other commodity, the Group regards the right to collect money as the contract assets.

(2) Determination methods and the accounting methods for the expected credit loss of contract assets

The determination methods for the expected credit loss of contract assets are as follows: for the contract assets classified as a group, the Group calculates the expected credit loss by referring to historical credit loss experience, current situation and forecasts of future economic conditions and based on the default risk exposure and lifetime expected credit loss rates.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

16. Contract assets (continued)

(2) Determination methods and the accounting methods for the expected credit loss of contract assets (continued)

As for accounting methods, the Group calculates the expected credit loss of contract assets on the balance sheet date. If the expected credit loss is greater than the book value of the current provision for the impairment of contract assets, the Group will recognize such difference as impairment loss, which will be debited to “impairment loss of assets” and credited to “provision for the impairment of contract assets”. Otherwise, the Group will recognize such difference as impairment gain and make the opposite accounting records.

Where the Group actually incurs credit loss and determines that the relevant contract assets cannot be recovered, if the contract assets have been approved for cancellation after verification, the Group shall be debited to “provision for the impairment of contract assets” and credited to “contract assets” according to the approved amount of write-off. If the amount of write-off is greater than the accrued loss provision, the “impairment loss of assets” shall be debited according to the difference.

17. Contract costs

(1) Methods for the recognition of the amount of assets related to contract costs

The Group's assets related to contract costs comprise contract performance costs and contract acquisition costs.

The cost incurred by the Group to perform a contract which does not fall under the scope of other business accounting standards and meets all of the following conditions, is recognised as an asset as contract performance cost: such cost directly relates to an existing or expected contract, including direct labour, direct materials, manufacturing cost (or similar cost) or other costs expressly to be borne by customers and incidental only to the contract; such cost increases the resources of the Group for future performance obligations; and such cost is expected to be recoverable.

The incremental cost to obtain a contract of the Group which is expected to be recoverable is recognised as an asset as contract acquisition cost, provided that such asset is included in profit or loss for the period as incurred when the amortization period is no longer than one year. Incremental cost refers to the cost which will not be incurred by the Group had the contract had not been acquired, such as sales commissions. Other expenses incurred by the Group to obtain a contract (such as travel expenses to be incurred regardless of obtaining a contract or not and excluding the incremental cost expected to be recoverable) are included in profit or loss for the period as incurred, save for those expressly to be borne by customers.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

17. Contract costs (continued)

(2) Amortization of assets related to contract costs

The Group's assets related to contract costs are amortised on the same basis as those for the revenue from goods relating to such assets and included in profit or loss for the current period.

(3) Impairment of assets related to contract costs

When recognizing the impairment loss of assets related to contract costs, the Group initially recognizes the impairment loss for other assets related to the contract which are recognised according to other relevant business accounting standards. Subsequently, in the event that the book value of assets related to contract costs is greater than the excess of the remaining consideration expected to be obtained by the Group arising from the transfer of goods relating to such assets over the estimated cost to be incurred to transfer such goods, the provision for impairment shall be made for such excess and recognised as impairment loss of assets.

If the above-mentioned excess is greater than the book value of such assets as a result of any subsequent change of impairment factors in the previous period, the provision for impairment of assets previously made shall be reversed and included in profit or loss for the period as incurred to the extent that the book value of such assets upon reversal shall not be higher than that of such assets on the reversal date assuming no provision for impairment has been made.

18. Other debt investments

For the determination methods and the accounting methods of the expected credit loss of other debt investments, please refer to the relevant description in 13. Provision for bad debt of receivables above.

19. Long-term equity investments

The long-term equity investments of the Group mainly refer to the investment in subsidiaries, investment in associates and investment in joint ventures.

The Group's basis for judgement in respect of common control is that all participating parties or a group of participating parties control such arrangement, and that policies on the related business of such arrangement have to obtain unanimous agreement from all participating parties that collectively control such arrangement.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

19. Long-term equity investments (continued)

The Group is usually deemed to have significant influence on the investee when it owns, directly or indirectly through its subsidiaries, more than 20% (inclusive) but less than 50% of the voting right of the investee, which is usually deemed to have significant influence on the investee. For voting rights of less than 20% in the investee, significant influence over the investee will be judged by comprehensively taking into consideration of such facts and circumstances as assigning a representative to the Board or similar authority of the investee, or participating in the formulation process of financial and operation policies of the investee, or having major transactions with the investee, or sending management personnel to the investee or providing key technical information to the investee.

An investee that is under the control of the Group shall be deemed as a subsidiary of the Group. For long-term equity investments acquired through business merger under common control, the share of the book value of net assets of the combined party in the consolidated statement of the ultimate controlling party on the merger date shall be accounted for as the initial investment cost of the long-term equity investments. If the book value of net assets of the combined party on the merger date is negative, the cost of the long-term equity investments is determined as nil.

For equity in an investee under common control obtained in stages through multiple transactions, which results in business merger, the Group will conduct the accounting method on each transaction as one transaction which obtains control if the transactions belong to a package deal; if the transactions do not belong to a package deal, the share of the book value of net assets of the combined party in the combined financial statements of the ultimate controlling party upon the combination shall be deemed as the initial investment cost of the long-term equity investments on the merger date. The difference between the initial investment cost and the sum of the book value of long-term equity investments before the merger and the book value of newly-paid consideration for further acquisition of shares on the merger date shall be applied to adjust capital reserve. If the capital reserve is insufficient for offsetting, the retained earnings shall be offset.

For long-term equity investments obtained through business merger under different control, combined cost shall be recognised as initial investment cost.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

19. Long-term equity investments (continued)

For equity in an investee under different control obtained in stages through multiple transactions, which results in business merger, supplementary disclosure to treatment methods for long-term equity investment in financial statements of the parent company shall be made in the reporting period for acquiring the control. For instance, for equity in an investee under different control obtained in stages through multiple transactions, which results in the business merger, the Group will conduct accounting treatment on each transaction as one transaction which obtains the control right if the transactions belong to a package deal. If the transactions do not belong to a package deal, the sum of the book value of equity investment held originally and additional investment costs shall be the initial investment cost whose calculation method is changed to cost method. If the equity held before the acquisition date is calculated by the equity method, the related other comprehensive income originally calculated by the equity method shall not be adjusted; and the accounting method shall be applied as per the same basis as that of directly disposing of related assets or liabilities of the investee when disposing of the investment. If the equity held before the acquisition date is designated as non-transactional equity instrument investments at fair value through other comprehensive income, the accumulative change in fair value originally included in other comprehensive income shall not be transferred into the current profit or loss.

Apart from the long-term equity investments acquired through business merger mentioned above, for long-term equity investments acquired by cash payment, the investment cost is the actual amount of cash paid for the acquisition; for long-term equity investments acquired by issuing equity securities, the cost of investment is the fair value of the equity securities issued; for long-term equity investments invested by the investor, the investment cost is the agreed consideration under the investment contract or agreement. If the Group holds long-term equity investments acquired through debt restructuring, non-monetary asset exchange, etc., the method of recognition of investment cost should be determined according to the requirements of the relevant business accounting standards and the disclosure of the Group's actual conditions.

The Group's investments in subsidiaries are accounted for using the cost method, and the investments in joint ventures and associates are accounted for using the equity method.

For long-term equity investments for which the subsequent measurement is accounted for using the cost method, when additional investment is made, the book value of the long-term equity investment cost will be added according to the fair value of cost paid for additional investment and the related expenses incurred by related transactions. For cash dividend or profit declared and paid by the investee, it shall be recognised as its investment income for the period at the amount to which it entitles.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

19. Long-term equity investments (continued)

For long-term equity investment for which the subsequent measurement is accounted for using the equity method, the book value of long-term equity investment shall be increased or decreased accordingly according to the change in the owners' equity of the investee. In which, the attributable net profit or loss in the investee is recognised on the basis of the fair value of various identifiable net assets in the investee at the time of acquisition and in accordance with the accounting policies and accounting period of the Group, based on the share attributable to the investor as calculated according to shareholdings, after elimination of the profit or loss for intra-group transactions with associates and joint ventures and after adjustment to the net profits of the investee.

When long-term equity investments are disposed of, the difference between the book value and the proceeds actually received shall be included in investment income for the period. If the long-term equity investment accounted for under the equity method is included in owners' equity due to the other changes in the owners' equity of the investee besides net profit and loss, the portion previously included in the owners' equity shall, when disposing of such long-term equity investment, be transferred to the current profit or loss on investment on a pro-rata basis.

Where the common control or significant influence over the investee is lost due to the partial disposal of equity investment or other reasons, and the residual equity after disposal is calculated according to the Accounting Standards for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments (Cai Kuai (2017) No. 7), the difference between the fair value and book value of such residual equity on the date when the common control or significant influence is lost shall be included in profit or loss for the current period. For other comprehensive income recognised by the original equity investment due to the adoption of the equity method shall be treated on the same basis as the related assets or liabilities directly disposed of by the invested entity upon the termination of the adoption of the equity method and carried forward on a pro-rata basis. The owner's equity recognised as a result of the changes in the owner's equity of the investee other than net profit and loss, other comprehensive income and profit distribution shall be transferred to the current investment income on a pro-rata basis.

For the loss of the control of the investee due to disposal of partial long-term equity investments, the residual equity after disposal, if capable of realizing joint control or exerting significant influence on the investee, is changed to the equity method for calculation, the difference for disposal of book value and consideration is included in the investment income, and the residual equity is adjusted as it is calculated by the equity method since it was acquired; the residual equity after disposal, if unable to realize joint control or exert significant influence on the invested unit, the Accounting Standards for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments (Cai Kuai (2017) No. 7) shall be applied for the accounting methods, the difference for disposal of book value and consideration is included in the investment income, and the difference between the fair value and book value of the residual equity on the control-lost date is included in profit or loss for the current period.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

19. Long-term equity investments (continued)

For each transaction where equity is disposed by the Group in stages until loss of control and which does not belong to a package transaction, the accounting for each transaction shall be conducted separately. For the package transaction, the accounting treatment shall be conducted on each transaction as the transaction that disposes of subsidiary with loss of control. However, before loss of control, the difference between disposal price for each transaction and the book value of corresponding long-term investments of the equity disposed of, shall be recognised as other comprehensive income, and, upon loss of control, shall be transferred to the current profit or loss when the control is lost.

20. Investment properties

Investment properties include buildings and lands which have been leased out. Investment properties are recorded at their costs. The costs of purchased investment properties include purchase price, relevant taxes and other expenditures that can directly be attributed to the asset; the cost for self-constructing investment properties shall be comprised of necessary expenditures for making the asset reach its intended use. Investment properties of the Group are subsequently measured using the cost method and shall be depreciated or amortized over its expected useful life and net residual rate using the straight-line method.

The subsequent measurement of buildings measured using the cost method is consistent with the subsequent measurement of fixed assets; the subsequent measurement of land use rights measured using the cost method is consistent with the measurement of intangible assets.

When investment properties are converted for self-use, such investment properties shall be changed into fixed assets or intangible assets since the date of conversion. When self-use properties are converted for gaining rental income or capital increase, the fixed assets or intangible assets shall be changed into investment properties since the date of conversion. When conversion occurs, the book value prior to conversion shall be accounted for the value after conversion. If an investment property is disposed of or withdrawn permanently from use and no economic benefit can be obtained from the disposal, the recognition of the investment properties shall be terminated. The disposal income from selling, transferring, discarding or damaging of investment properties shall be deducted by the book value and relevant taxes thereof and then included in profit or loss for the current period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

21. Fixed assets

Fixed assets are tangible assets held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and expected to be used for more than one year. Fixed assets include buildings and structures, transportation vehicles, electronic equipment, office equipment and others, as the value of the recorded costs at the time of acquisition; the cost of purchased fixed assets includes the purchase price and import duties and other related taxes and fees, as well as other expenses incurred before the fixed assets reach the intended use status can be directly attributed to the asset; the cost for self-constructing the fixed assets consists of the necessary expenditure incurred before the asset is constructed to its intended use; the fixed assets invested by the investor shall be recorded at the value agreed upon in the investment contract or agreement, but the unfair value agreed upon in the contract or agreement shall be recorded at fair value; for the fixed assets for finance leases, the fair value of leased assets on the lease commencement date and the present value of minimum leasing payment shall be accounted for, whichever is lower.

The Group shall make depreciation for all the fixed assets except the fixed assets which have been fully depreciated but are still in use and the land which is separately priced and recorded. Depreciation is calculated using the straight-line method. The depreciation expenses shall be separately included in the costs of related assets or current expenses by purpose. The category, depreciation period, expected net residual rate and depreciation rate of the fixed assets of the Group are as follows:

Category of fixed assets	Depreciation period (year)	Residual rate (%)	Annual depreciation rate (%)
Buildings and structures	20–40	5	2.38–4.75
Machinery equipment	5–25	5	3.80–19.00
Transportation vehicles	5–10	5	9.50–19.00
Electronic equipment	3–5	5	19.00–31.67
Others	5–20	5	4.75–19.00

At the end of each year, the Group shall review the expected useful life, expected net residual value and depreciation method of the fixed assets. If there is any change, it will be treated as an accounting estimate change.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

21. Fixed assets (continued)

The fixed assets are derecognized on disposal or when no future economic benefits are expected from their use or disposal. The amount of proceeds from disposals on sale, transfer, retirement or damage of the fixed assets, net of their carrying amounts and related taxes, is included in the current profits or losses. Subsequent expenditures related to the fixed assets are included in the carrying amounts of the fixed assets only when the economic benefits associated with the assets that will flow to the enterprise exceed the original estimates, such as extending its useful life, enhancing product quality or reducing product cost. The amount so increased will not exceed the recoverable amount of the fixed assets. Subsequent expenditures other than such amount shall be recognized as the current expenses, and shall no longer be calculated using the accrual or deferred method.

(1) Repair costs related to fixed assets are directly included in the current expenses. (2) Improvement expenses related to fixed assets are included in the carrying amounts of the fixed assets. The amount so increased will not exceed the recoverable amount of the fixed assets. (3) In the event that it is unable to determine whether it is repair or improvement of fixed assets, or the repair of fixed assets and improvement of fixed assets are integrated, the judgment shall be made according to the above principles, and the subsequent expenses incurred shall be included in the value of fixed assets or included in current expenses respectively. (4) Depreciation charge on improvement expenses of fixed assets which meets the criteria for capitalization is accounted for in a separate item of "Improvement of fixed assets" under "Fixed assets", and is calculated separately using the reasonable method based on the shorter of the period between two improvements and the useful life of the fixed assets. In the event that there is still a balance in the item of "Improvement of fixed assets" related to the fixed asset at the next improvement, the balance shall be fully included in the current non-operating expenses. (5) Subsequent expenditures on fixed assets leased by means of financial leasing shall be treated in accordance with the above principles. Depreciation charge on improvement expenses of fixed assets which meets the criteria for capitalization is calculated separately using the reasonable method based on the shorter of the period between two improvements, the remaining lease term and the useful life of fixed assets.

22. Construction in progress

The construction in progress is measured at the actual cost. The self-operated construction project is measured by direct materials, direct labour, direct construction costs, etc. The outsourced construction works shall be measured according to the project price payable. The project cost shall be determined according to the value of the equipment installed, the installation cost, the expenses incurred in the trial operation of the project, etc. The cost of construction in progress also includes borrowing costs and exchange gains and losses that should be capitalized.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

22. Construction in progress (continued)

Construction in progress shall be transferred into fixed assets at the estimated value as per the project budget, construction prices or actual construction costs from the date when they are ready for intended use, and be depreciated from the next month and be adjusted for difference from the original value of the fixed asset after the completion settlement procedures.

23. Borrowing costs

Borrowing costs include interest on borrowings, amortization of discounts or premiums, ancillary expenses and exchange differences arising from foreign currency borrowings. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized when expenditures for such assets and borrowing costs are incurred and activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced. Capitalization of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Where borrowings are borrowed for a specific purpose, the actual interest expense incurred on that borrowing for the period less any bank interest earned from depositing the unutilized borrowed funds in banks or any investment income on the temporary investment of those borrowings shall be capitalized. Where borrowings are borrowed for general purposes, the amount to be capitalized is determined by multiplying the weighted average of the excess amount of accumulated asset expense over the amount of specific-purpose borrowings by capitalization rate of general-purpose borrowings occupied. The capitalization rate shall be determined based on the weighted average interest rates applicable to the general-purpose borrowings.

The qualifying assets to be capitalized are fixed assets, investment properties and inventories which need to be acquired, constructed or produced through a long period of time (usually more than one year (inclusive)), in order to become ready for its intended use or sale. Capitalization of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is suspended abnormally and when the suspension is for a continuous period of more than 3 months. Capitalization is suspended until the acquisition, construction or production of the asset is resumed.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

24. Right-of-use assets

The right-of-use assets are defined as the rights of the Group as a lessee to use the leased asset in the lease term.

(1) Initial measurement

At the commencement date of the lease, the Group initially measures the right-of-use assets at cost, which includes the following: ① the amount of the initial measurement of the lease liability; ② any lease payments made on or before the commencement date, less the amount of lease incentives received, if any; ③ any initial direct costs incurred, i.e. the incremental costs incurred for the execution of the lease; ④ the costs expected to be incurred for dismantling and removing the leased asset, restoring the site on which the leased asset is located or restoring it to the condition as agreed in the terms of the lease, except those incurred for the production of inventories.

(2) Subsequent measurement

After the commencement date of the lease, the Group adopts a cost model for the subsequent measurement of the right-of-use assets, where the right-of-use assets are measured at cost less accumulated depreciation and accumulated impairment losses.

Where the Group re-measures the lease liability in accordance with the relevant provisions of the lease standards, the book value of the right-of-use assets shall be adjusted accordingly.

(3) Depreciation of right-of-use assets

The Group provides for the depreciation of the right-of-use assets from the commencement date of the lease. Right-of-use assets are usually depreciated from the month in which the lease term commences. The amount of the provision for depreciation is included in the cost of the relevant assets or the current profit or loss according to the use of the right-of-use assets.

When determining the depreciation method of the right-of-use assets, the Group makes decisions based on the expected methods of consuming the economic benefits related to the right-of-use assets, and provides for depreciation for the right-of-use assets on a straight-line basis.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

24. Right-of-use assets (continued)

(3) Depreciation of right-of-use assets (continued)

When determining the depreciation period of the right-of-use assets, the Group adheres to the following principles: if it is reasonably certain that the ownership of the leased asset will be obtained at the end of the lease term, the provision for depreciation will be made within the remaining useful life of the leased asset; if it is not reasonably certain that the ownership of the leased asset will be obtained when the lease term expires, the provision for depreciation is made during the lease term or the remaining useful life of the leased asset, whichever is the shortest.

If the right-of-use assets are impaired, the Group will make subsequent provisions for depreciation based on the book value of the right-of-use assets after deducting the impairment losses.

25. Intangible assets

Intangible assets include land use rights, patent rights, non-patent technology, software and trademark rights, etc. Intangible assets are measured at the actual costs upon acquisition. The purchased intangible assets are stated at actual cost based on the actual price paid and related other expenses. For intangible assets invested by investors, the actual costs are determined according to the values specified in the investment contract or agreement, for the unfair values agreed in the contract or agreement, the actual costs are determined at the fair value.

The land use rights shall be evenly amortized over its remaining term when it is obtained from the date of transfer. The patent technology, non-patent technology and other intangible assets are amortized evenly by stages over estimated useful life, beneficial term stipulated by contract and legal effective term, whichever is the shortest. The amortization amount is included in relevant asset cost and the current profit or loss according to its beneficiaries.

The Group reviews the estimated useful life and amortization method of intangible assets with finite useful life at the end of each year, and any changes will be treated as changes in accounting estimates. The Group reviews the estimated useful life of intangible assets with uncertain useful life at each accounting period. If there is evidence that the useful life of intangible assets is finite, the useful life should be estimated and amortized during that period.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

26. Research and development

The expenses for internal research and development projects of the Group (including purchased external research projects) are divided into expenses in the research stage and expenses in the development stage.

Expenses in the research stage are included in profit or loss for the current period as incurred. Expenses in the development stage may only be capitalized if the following conditions are satisfied: the completion of such intangible assets for use or sale is technically feasible; the Company has the intention to use or sell the intangible assets upon completion; the way in which the intangible assets bring economic benefits shows that there exists a consumption market for the products with the use of these intangible assets or the intangible assets themselves, or that they are useful in case of internal utilization; the Company has sufficient technological, financial and other resources to complete the development of the intangible assets and the ability to make them available for use or sale; and the expenses attributable to such intangible assets can be measured reliably at the development stage. Development expenses that do not satisfy all the above conditions are included in profit or loss for the current period as incurred. Development expenses previously included in profit or loss will not be recognized as assets in subsequent periods. The capitalized expenditures for the development stage are presented as development expenses on the balance sheet, and are converted to intangible assets from the date when the project reaches its intended use.

Expenditures in the research stage, such as planned investigation, evaluation and selection for the process of the specific product, are included in profit or loss for the current period as incurred. Expenditures in the development stage, such as the designing and testing for the final application of the process of the specific product before the scale production, shall be capitalized only if all of the following conditions are satisfied: (1) the R&D technology of the process of the specific product has been fully approved by the technical team; any proprietary technology formed by the capitalization of R&D expenditures shall obtain the certification issued by the relevant third party or industry authority; (2) the R&D expenditure capitalization shall be approved in accordance with the relevant procedures of the Company's science and technology department, and the project approval report shall be obtained, and the budget relating to the process of the specific product has been approved by the management; (3) the research and analysis from the marketing investigation demonstrated that the product produced during the process of the specific product has marketing capability; and the proprietary technology must reach the international and domestic advanced level or fill the international, domestic and Company gaps, and can be put into production, with good earnings expectations; (4) there are adequate technical and financial resources for the development of the process of the specific product and the subsequent scale production; (5) the expenditure attributable to the process of the specific product can be liable collected.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

27. Impairment of non-financial long-term assets

Long-term equity investments, fixed assets, construction in progress, and intangible assets with finite useful lives are tested for impairment if there is any indication that the assets may be impaired at the balance sheet date. For goodwill and intangible assets with uncertain useful life, impairment tests shall be conducted at the end of each year regardless of whether there is any indication of impairment. If it is difficult to test the recoverable amount of a single asset, the test shall be based on the asset group or combination of the asset group to which the asset belongs. If the result of the impairment test indicates that the carrying amount of an asset is greater than its recoverable amount, the difference is recognized as an impairment loss. If the impairment loss for the aforesaid assets is recognized, it shall not be reversed in subsequent accounting periods. The recoverable amount of an asset is the higher between the net value of the fair value of the asset minus the disposal expense and the present value of the expected future cash flow of the asset. The indicators of impairment are as follows:

(1) The market price of assets has fallen sharply in the current period, and the decline is significantly higher than the expected decline due to the passage of time or normal use; (2) there is an adverse impact on the enterprise, because of the material changes of the economic, technological or legal environment which enterprise operates and the market in which the asset is located in the current or recent period; (3) the market interest rate or other market investment return rate has increased in the current period, which affects the discount rate of the enterprise to calculate the present value of the expected future cash flow of the asset, and resulting in a substantial reduction in the asset's recoverable amount; (4) there is evidence that the asset has become obsolete or its entity has been damaged; (5) assets have been or will be idled, terminated, or planned for disposal in advance; (6) the evidence in the internal report of the Company indicates that the economic performance of the asset has been lower or will be lower than expected, such as the net cash flow created by the asset or the realized operating profit (or loss) is much lower (or higher) than the expected amount; (7) other indicators that assets may have been impaired.

28. Goodwill

Goodwill is the amount at the acquisition date or purchasing date, of the equity investment cost or cost of business merger not involving enterprises under common control, that exceeds the acquirer's interest in the fair value of the investees' or acquiree's identifiable net assets. Goodwill relating to subsidiaries is presented in consolidated financial statements as a separate item. Goodwill relating to associates and joint ventures is included in the carrying amount of the long-term equity investments.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

29. Contract liabilities

Contract liabilities reflect the Group's obligation to transfer goods to a customer for which the Group has received consideration or an amount of consideration is due from the customer. Before the Group transfers goods to a customer, the customer has already paid the contract consideration, or the Group has obtained unconditional right to receive the contract consideration. At the earlier of the date of actual payment from the customer and the due date of payment, contract liabilities were recognized based on the amount received or receivable.

30. Long-term deferred expenses

The long-term deferred expenses are expenses which have been paid but will be amortized within the period over one year (excluding one year). Such expenses are amortized evenly over periods in which benefits are derived. If the long-term expenses to be amortized are no longer beneficial in subsequent accounting periods, the amortized value of the unamortized item is transferred in full to the current profit or loss.

31. Staff remuneration

Staff remuneration refers to all forms of rewards or compensations given by the Group in exchange for services rendered by employees or for the termination of employment relationship. Staff remuneration includes short-term remuneration, post-employment benefits, termination benefits and other long-term employee benefits.

Short-term remuneration includes staff salaries, bonuses, allowances and subsidies, staff welfare payments, social insurance premiums including medical insurance premiums, work injury insurance premiums and maternity insurance premiums, housing provident fund, labor union expenses and staff education expenses, short-term paid leaves, short-term benefits sharing scheme, non-monetary welfare and other short-term remuneration. During the accounting period in which the employees render services, the Group recognizes the short-term remuneration incurred as liabilities and includes in profit or loss for the current period or costs of relevant assets according to the beneficiaries of the services.

Post-employment benefit includes defined contribution plans. Defined contribution plans mainly comprise basic pension insurance, unemployment insurance and annuity. The relevant contribution amount is included in the costs of relevant assets or the profit or loss for the period during which the expenses are incurred.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

31. Staff remuneration (continued)

Where the labor relationship with employees is terminated prior to the expiration of the labor contract with employees, or compensation suggestions are made to encourage employees to accept the cutback voluntarily, the employee payroll liabilities incurred by the termination benefits shall be recognized and included in profit or loss for the current period when the Group cannot withdraw unilaterally the termination benefits provided for the termination plan of labor relations or cutback suggestions, or when the Group recognizes the cost related to reorganization involving the payment of termination benefits, whichever is earlier. However, if it is anticipated that the termination benefits cannot be fully paid within 12 months after the end of the annual reporting period, such welfare shall be treated as other long-term staff remuneration.

The internal retirement plan for employees shall be treated by the same principle as the above termination benefits. The Group will pay the salary and contribute social insurance for the internal retirement from the service ceased to be provided by such employee to normal retirement. Such fee is included in profit or loss for the current period (termination benefits) when conforming to the recognition condition of estimated liability.

Accounting treatment shall be conducted on other long-term employee benefits provided to employees by the Group according to defined contribution plans if such plans are conformed. In addition, accounting treatment shall be conducted according to defined benefit plans. The Group did not set up any defined benefit plan.

32. Accrued liabilities

Where the business related to contingencies including external guarantee, discount of commercial acceptance bills, pending litigations or arbitrations, product quality assurance, etc. meets the following conditions, the Group will recognize it as liabilities: the obligation is a present obligation of the Group; it is probable that an outflow of economic benefits will be required to settle the obligation; and the amount of the obligation can be measured reliably.

Accrued liabilities are initially measured at the best estimate required to be paid when performing relevant current obligations, with comprehensive consideration of such factors as risks, uncertainties and time value of money related to contingencies. Where the time value of money is of great influence, the best estimate is determined through the discount of relevant future cash outflows. On each balance sheet date, the book value of the accrued liabilities shall be reviewed and adjusted (if any change) to reflect the current best estimate.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

33. Lease liabilities

(1) Initial measurement

The Group initially measures lease liabilities based on the present value of the lease payments that have not been paid at the commencement date of the lease term.

1) *Lease payments*

Lease payments are defined as the payments made by the Group to the lessors related to the rights to use leased assets during the lease term, including: ① fixed payments and fixed payments in substance, net of lease incentives, if any; ② variable lease payments based on indexes or ratios, which are determined at the initial measurement based on the indexes or ratios on the commencement date of the lease term; ③ the exercise price of the purchase option when the Group is reasonably certain to exercise the purchase option; ④ the payments required to be paid for exercising the option to terminate the lease when the lease term reflects that the Group will exercise the option to terminate the lease; ⑤ the amount expected to be paid based on the residual value of the guarantee provided by the Group.

2) *Discount rate*

In calculating the present value of a lease payment, the Group uses the interest rate implicit in the lease as the discount rate, which is a rate that matches the sum of the present value of the lease receipts of the lessor and the present value of unguaranteed residual value with the sum of the fair value of the leased asset and the initial direct expenses incurred by the lessor. The Group uses the incremental borrowing rate as the discount rate when it is unable to determine the interest rate implicit in the lease. The incremental borrowing interest rate refers to the interest rate payable by the Group to borrow funds under similar mortgage conditions in similar periods in order to acquire the assets of an amount close to the value of the right-of-use assets in a similar economic environment. The interest rate is related to the following: ① the Group's own situation, that is, the Group's solvency and credit status; ② the term of the "borrowing", that is, the lease term; ③ the amount of "borrowed" funds, that is, the amount of lease liabilities; ④ "mortgage conditions", that is, the nature and quality of the underlying assets; ⑤ the economic environment, including the jurisdiction in which the lessee is located, the currency of denomination, and the time of signing the contract. Based on the bank loan interest rate, the Group makes adjustments in respect of the above-mentioned factors to derive the incremental borrowing interest rate.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

33. Lease liabilities (continued)

(2) Subsequent measurement

After the commencement date of the lease term, the Group conducts the subsequent measurement of the lease liabilities according to the following principles: ① increasing the book value of the lease liabilities when recognizing the interest on the lease liabilities; ② reducing the book value of the lease liabilities when making lease payments; ③ re-measuring the book value of the lease liabilities in case of any change in the lease payments due to revaluation or lease variations.

The interest expenses of the lease liabilities in each period of the lease term are calculated at fixed periodic interest rates and are included in the profit and loss for the current period, except those that shall be capitalized. Periodic interest rates refer to the discount rates used by the Group in the initial measurement of lease liabilities, or the revised discount rates adopted by the Group when lease liabilities need to be re-measured at revised discount rates due to changes in lease payments or lease changes.

(3) Re-measurement

After the commencement date of the lease term, when the following circumstances occur, the Group re-measures the lease liabilities at the present value calculated based on the lease payments after changes and the revised discount rates, and adjusts the book value of the right-of-use assets accordingly. If the book value of the right-of-use assets has been reduced to zero, but the lease liabilities still need to be further reduced, the Group will include the balance in the current profit or loss. The circumstances include ① any change in the fixed payment in substance; ② any change in the expected payable amount of the residual value of the guarantee; ③ any change in the indexes or ratios used to determine the lease payments; ④ any change in the evaluation result of the purchase option; ⑤ any change in the evaluation result or actual exercise of the option to renew or terminate the lease.

34. Share-based payments

The equity-settled share-based payment in return for employees' services shall be measured based on the fair value of equity instruments granted to the employees on the date of grant. Equity Instruments which are exercisable immediately upon the grant are included in relevant costs or expenses at the fair value of equity instruments on the date of grant and capital reserves are increased accordingly. If exercising is conditional upon completion of services in the vesting period or fulfillment of performance conditions, on each balance sheet date during the vesting period, based on the best estimate of the number of exercisable equity instruments, the services received for the period are recognized as the costs or expenses and capital reserves at the fair value of the equity instruments on the date of grant. After the date when the equity instruments are exercisable, costs or expenses and total shareholders' equity which have been recognized will not be adjusted.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

34. Share-based payments (continued)

Cash-settled share-based payments are measured at the fair value of the liabilities (share-based or other equity instrument-based) assumed by the Group. Equity instruments which are exercisable immediately upon the grant are included in relevant costs or expenses at the fair value of liabilities assumed by the Group on the date of grant and liabilities are increased accordingly. If exercising is conditional upon completion of services in the vesting period or fulfillment of performance conditions, on each balance sheet date during the vesting period, based on the best estimate of the exercisable situation, the services received for the period are recognized as the costs or expenses at the fair value of the liabilities assumed by the Group, and the liabilities are adjusted accordingly.

At each balance sheet date and settlement date before the settlement of relevant liabilities, the fair value of liabilities is remeasured with respective changes included in profit or loss for the current period.

If the Group cancelled the granted equity instrument during the vesting period (other than cancellations due to non-fulfillment of the vesting conditions), it is deemed as accelerated vesting, as if all vesting conditions of the equity-based payment scheme during the remaining vesting period have been fulfilled, all expenses of the remaining vesting period are recognized during the period of cancellation of such equity instrument granted.

35. Special reserve

The safety expenditures accrued by the Group in accordance with the national regulations shall be included in the cost of related products or the current profit or loss, and shall be credited to the special reserve account.

The safety expenditures withdrawn and used by the Group, if being expenses in nature, are directly written down to specific reserve. The safety expenditures of the Group that are formed into fixed assets through collection of construction in progress are recognized as fixed assets when the safety projects are completed and reach the expected conditions for use. Meanwhile, a special reserve is written down based on the costs of the formed fixed assets, and the same amount is recognized to accumulated depreciation. For these fixed assets, there will be no further depreciation in the subsequent periods.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

36. Revenue recognition principles

The Group is principally engaged in the R&D, production and sale of the high-purity polysilicon, and the development, construction and operation of wind power and PV power plants.

The Group recognizes revenue when a performance obligation in the contract is satisfied, i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customers.

When the contract contains two or more performance obligations, on the inception of the contract, the transaction price is allocated to each separate performance obligation in proportion to the stand-alone price of the promised goods or services, and the revenue is recognized according to the transaction price allocated to each performance obligation.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The transaction price confirmed by the Group does not exceed the amount that is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the related uncertainty resolved. The amount expected to be refunded to the customer shall be recognized as a liability and not included in the transaction price. Where there is significant financing component in the contract, the Group shall determine the transaction price on the basis of the amount payable in cash when the customer assumes control of the goods or services. The difference between the transaction price and the contract consideration shall be amortized by the effective interest method during the contract period. The Group shall not take into account the existence of a significant financing component in the contract if the Group expects, at contract inception, that the period between when the customer acquires the control of the promised goods or services and when the customer pays for those goods or services will be one year or less.

The Group satisfies a performance obligation over time, if one of the following criteria is met; otherwise, it satisfies a performance obligation at a point in time:

- (1) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.
- (2) The customer can control the asset which is created by the Group's performance.
- (3) The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to receive payment in respect of performance completed to date during the whole contract period.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

36. Revenue recognition principles (continued)

For a performance obligation satisfied over time, the Group shall recognize revenue over time by measuring the process towards complete satisfaction of the performance obligation and determine the progress of performance based on the percentage of completion method. If the Group is unable to reasonably measure the progress towards complete satisfaction of a performance obligation and the costs incurred by the Group can be expected to be compensated, the revenue shall be recognized according to the costs incurred until such time that it can reasonably measure the process towards complete satisfaction of the performance obligation.

For a performance obligation satisfied at a point in time, the Group shall recognize revenue when the customer obtains control of relevant goods or services. In judging whether customers obtain control of promised goods or services, the Group considers the following indications:

- (1) The Group has a present right to receive the payment in respect of the goods or services.
- (2) The Group has transferred the legal title of the goods to customers.
- (3) The Group has transferred physical possession of the goods to customers.
- (4) The Group has transferred the significant risks and rewards of the ownership of the goods to the customers.
- (5) Customers have accepted the goods or services.
- (6) Other signs indicating that customers have acquired control over the goods.

The Group's right to consideration in exchange for goods or services that it has transferred to a customer is stated as contract asset. The allowances for impairment of contract assets are based on expected credit losses. A receivable is the Group's unconditional right to consideration to be received from a customer. 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.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

36. Revenue recognition principles (continued)

Specific policies and methods for revenue recognition are as follows:

- ① Revenue from the sales of the Group's polysilicon related products is recognized when control is transferred to the purchaser. The specific revenue recognition criteria are as follows: according to the contract for polysilicon related products, after the Group's products arrive at the delivery location of the customer, the customer confirms the quantity and specifications of the products according to the contract under the "polysilicon transportation execution sheet" and signs or stamps the "polysilicon transportation execution sheet" to confirm the transfer of control of the goods, and the Company recognizes the realization of revenue. The Group bears the transportation costs and risks of the products until they arrive at the delivery location (within Mainland China only) as stipulated in the Group's polysilicon related products business contracts. Normally, transportation services are treated as a separate performance obligation after the transfer of control of the goods to the customer. Otherwise, transportation services incurred prior to the transfer of control of the goods to the customer are not a separate performance obligation promised to the customer, but are recognized as the component of the cost required to fulfill the contract, i.e., transfer of goods to the customer.
- ② For the development and construction business of wind power and PV power plants, the Group assesses contracts at their effective dates and determines whether the relevant contract performance obligations meet the condition for "performance over time".

For contracts meeting the condition for "performance over time", the Group recognizes revenue based on the contract performance progress during that time. The Group adopts the input method to determine the appropriate progress of performance, which is determined by the total actual contract cost incurred in proportion to the total estimated contract cost. When the performance progress cannot be reasonably determined, the incurred cost expected to be compensated for is recognized as revenue, until the performance progress can be reasonably determined. If the incurred cost is expected to be unrecoverable, it is recognized as expense upon occurrence, without recognizing revenue.

When the total revenue from a contract can be estimated reliably, contract-related economic benefits could probably flow into the Group, the incurred contract cost can be clearly identified and reliably measured, and the percentage of completion and estimated future costs could be reliably measured, the outcome of a contract is deemed to be reasonably foreseeable and the performance progress can be reasonably determined.

If the condition to "performance over time" is not met, the Group recognizes revenue based on the transaction price specified in the contract or relevant documents when the related products are completed and delivered.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

36. Revenue recognition principles (continued)

- ③ Sales revenue from the Group's operation business of wind power and PV power plants is recognized on the basis of the grid capacity confirmed by both purchasers and sellers, the on-grid tariff approved by the relevant state authorities and the competitive tariff.

37. Government grants

The Group's government grants include asset-related and income-related government grants. Asset-related government grants refer to those obtained by the Group and used for the acquisition or construction of long-term assets or obtainment of such assets by other means. Income-related government grants refer to those other than asset-related government grants. If no assistance object is specified in the government documents, the Group will make a judgment based on the above principles. If it is difficult to distinguish between government grants, they are integrally classified as income-related government grants.

Government grants that are monetary assets are measured based on the actual amounts received. For the subsidies paid according to fixed quota standards, or when concrete evidence shows that relevant conditions specified in fiscal support policies can be met and the fiscal support funds are expected to be received at the end of the period, the government grants shall be measured based on the receivable amounts. Government grants that are non-monetary assets are measured based on their fair value; if the fair value cannot be estimated reliably, it will be measured based on nominal amount (RMB1).

Asset-related government grants are recognized as deferred income, and are distributed equally within the useful lives of the related assets and included in current profit or loss. For relevant assets that are sold, transferred, discarded or damaged before the end of their useful lives, balance of the relevant unallocated deferred income is transferred into the profit or loss of the current period when the assets are disposed of.

Income-related government grants used to compensate for related costs or losses during future periods are recognized as deferred income, and will be included in current profit or loss during the period when they are recognized. Government grants related to daily activities are included in other income according to the nature of the economic activities. Government grants unrelated to daily activities are included in non-operating revenue.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

38. Deferred income tax assets and deferred income tax liabilities

Deferred income tax assets and deferred income tax liabilities are recognized by calculating the difference (temporary difference) between the tax base and the book value thereof. As for taxable income with deductible loss and tax deduction that can be deducted in subsequent years as specified by tax laws, corresponding deferred income tax assets will be recognized based on the temporary difference. Deferred income tax assets and liabilities are measured at the applicable tax rate during the anticipated period for withdrawing such assets or during the period for paying off such liabilities on the balance sheet date. The Group recognizes the deferred income tax assets arising from deductible temporary difference to the extent that the amount of taxable income to be offset by the deductible temporary difference is likely to be obtained by the Group. For recognized deferred income tax assets, if it is predicted that the amount of taxable income cannot be sufficient to deduct the deferred income tax assets in a future period, the book value of deferred income tax assets will be written down. If it is possible to obtain the sufficient amount of taxable income, the amount that has been written down will be reversed.

The impact of all taxable temporary differences on income tax of the Group should be measured as per the income tax rate in the estimated reversal period, and this impact is recognized as deferred income tax liabilities.

39. Lease

(1) Identification of lease

Lease refers to a contract under which the lessor transfers the right-of-use of assets to the lessee for consideration within a certain period of time. At the commencement date of the contract, the Group assesses whether the contract is a lease or contains a lease. If a party to the contract transfers the right-of-use of an identified asset or several identified assets for consideration within a certain period of time, such a contract is regarded as a lease or includes a lease. In order to determine whether the right to control the use of the identified assets within a certain period of time has been transferred in the contract, the Group assesses whether the customers in the contract are entitled to substantially all economic benefits arising from the use of the identified assets and have the right to dominate the use of the identified assets during the period of use.

Where a contract concurrently contains multiple separate leases, the Group splits the contract and conducts accounting treatment respectively for all separate leases. Where a contract concurrently includes both leased and non-leased parts, the Group shall split the leased and non-leased parts and conduct accounting treatment.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

39. Lease (continued)

(2) The Group as lessee

On the beginning date of the lease term, the Group recognizes the right-of-use asset and the lease liability. The right-of-use asset is initially measured at cost, which comprises the initial measurement amount of the lease liability, the lease payments made on or before the commencement date of the lease term (net of lease incentives received), plus any initial direct costs incurred and an estimate of costs to dismantle and remove the leased asset or to restore the site where the leased asset is located or restore the leased asset to its agreed condition under the terms of the lease.

- 1) *The Group recognizes a right-of-use asset and a lease liability under leases as lessee.*
- 2) *Changes in leases*

Changes in leases refer to the changes in the lease scope, lease consideration, and lease term other than the original contract terms, including the addition or termination of the right-of-use of one or more leased assets, and the extension or shortening of the lease period stipulated in the contract. The effective date of the lease change refers to the date both parties agree on a lease change.

If a lease change happens and meets the following conditions, the Group will conduct accounting treatment for the lease change as a separate lease: ① the lease change expands the scope of lease by increasing the right-of-use of one or more leased assets; ② the increased consideration and the individual price of the expanded part of the lease are equivalent after adjustment is made in accordance with the contract.

If accounting treatment for the lease change as a separate lease is not conducted, on the effective date of the lease change, the Group shall apportion the consideration of the changed contract in accordance with the relevant provisions of the lease standards, and re-determine the lease period after the change; and discount the modified lease payments using the revised discount rate, in order to remeasure the lease liabilities. When calculating the present value of the lease payments after modification, the Group adopts the interest rate implicit in the lease for the remaining lease periods as the discount rate; if the lease interest rate implicit in the lease for the remaining lease period cannot be readily determined, the lessee's incremental borrowing rate shall then be used by the Group as the discount rate on the effective date of modification of lease. In view of the consequences of the above adjustment of the lease liabilities, the Group conducts accounting treatment in each of the following cases accordingly: 1 If the lease change results in a narrower scope of lease or a shorter lease term, the lessee shall reduce the book value of the right-of-use assets, and recognize the gain or loss relevant to the partial or complete termination of the lease in profit or loss for the current period; 2 For other modification of lease that may lead to remeasurement of lease liabilities, the lessee adjusts the book value of the right-of-use assets accordingly.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

39. Lease (continued)

(2) The Group as lessee (continued)

3) Short-term leases and low-value asset leases

For short-term leases with a lease period of not more than 12 months and leases of low-value assets that have a lower value when the individual leased asset is a brand-new asset, the Group chooses not to recognize the right-of-use assets and lease liabilities. During different periods in the lease term, lease payments on short-term leases and leases of low-value assets are recognized as relevant asset costs or the current profit or loss on a straight-line basis or by other systematic and reasonable methods.

(3) The Group as a lessor

Based on the assessment as stated in (1), if the contract is a lease or includes a lease, such lease for which the Group is a lessor is classified as a finance lease or an operating lease on the lease commencement date.

A lease is classified as a finance lease by lessor if it transfers substantially all the risks and rewards incidental to the ownership of a leased asset. Other leases other than finance leases shall be classified as operating leases.

A lease is usually classified as a finance lease by the Group when one or more of the following conditions are satisfied: ① At the expiration of the lease term, the ownership of the leased asset is transferred to the lessee; ② The lessee has the option to purchase the leased asset. The purchase price entered into is sufficiently low compared to the fair value of the leased asset when the option is exercised. Therefore, it can be reasonably determined at the commencement date of the lease that the lessee will exercise the option; ③ Although the ownership of the asset is not transferred, the lease term accounts for the majority of the useful life of the leased asset (not shorter than 75% of the useful life of the leased asset); ④ On the commencement date of the lease, the present value of the lease receivable amount is basically equivalent to the fair value of the leased asset (not lower than 90% of the fair value of the leased asset); ⑤ The leased asset is special in nature. If no major modifications are made to it, only the lessee can use it. If one or more of the following conditions exist in a lease, the Group may also classify it as a finance lease: ① If the lessee terminates the lease, the lessee shall bear the losses caused by the termination of the lease to the lessor; ② The profits or losses caused by the fluctuation of the fair value of the balance of assets belong to the lessee; ③ The lessee can continue to lease at a rent far below the market level for the next period.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

39. Lease (continued)

(3) The Group as a lessor (continued)

1) *Accounting treatment for finance leases*

Initial measurement

At the beginning of the lease term, the Group recognizes the finance leases receivable on the finance leases and terminates the recognition of the finance leases assets. When the initial measurement of the finance leases receivable is made by the Group, the Group uses the net lease investment as the entry value of the finance leases receivable.

The net lease investment is the sum of the unguaranteed residual value and the present value of leases receipts that have not been received on the start date of the lease term, which is discounted according to the interest rate implicit in the lease. The lease receipts refer to the amounts that the lessor should collect from the lessee for the purpose of transferring the right-of-use of the leased asset during the lease term, including: ①The fixed payment amount and the substantial fixed payment amount to be paid by the lessee, if there is a lease incentive, the amount related to the lease incentive is deducted; ②Variable lease payments depending on the index or ratio, and such amounts, are determined at the initial measurement based on the index or ratio at the beginning of the lease term; ③The exercise price of the purchase option, provided that it is reasonably determined that the lessee will exercise the option; ④The amount to be paid by the lessee for the termination of the lease option, provided that it's reflected the lessee will exercise the option to terminate the lease during the lease term; ⑤The residual value of the guarantee provided to the lessor by the lessee, a party concerned with the lessee and an independent third party with the financial ability to perform the guarantee obligation.

Subsequent measurement

The Group calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate. Such periodic interest rate refers to the discount rate implicit in lease used to determine the net lease investment. In the case of intermediate lease, if it is impossible to determine the interest rate implicit in the lease under such intermediate lease, the discount rate of the original lease shall be adopted and adjustments shall be made based on initial direct costs of such intermediate lease. For a finance lease change that is not accounted for as a separate lease, if the lease is classified as a finance lease when the change becomes effective on the lease start date, its discount rate shall be revised according to relevant regulations.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

39. Lease (continued)

(3) The Group as a lessor (continued)

1) *Accounting treatment for finance leases (continued)*

Accounting treatment for lease changes

If a finance lease changes and meets the following conditions, the Group will account for the change as a separate lease for accounting treatment: ① The modification expands the scope of the lease by increasing the right to use one or more leased assets; ② The increased consideration is equal to the individual price of the expanded portion of the lease, as adjusted by the contractual situation.

For a finance lease modification that is not accounted for as a separate lease, if the lease is classified as an operating lease when the change becomes effective on the lease start date, the Group accounts for it as a new lease from the effective date of the lease change and uses the net lease investment before the effective date of the lease change as the book value of the leased asset.

2) *Accounting treatment for operating leases*

Treatment of lease payment

Lease receipts under an operating lease are recognized as rental income on a straight-line basis over each period of the lease term.

Incentive measures provided

Total rental of the Group is recognized on a straight-line basis over each period of the lease term, without excluding the rent-free period, and rental income is recognized during the rent-free period. If the Group has undertaken certain expenses of the lessee, the expenses will be deducted from the total rental income, and the rental income will be allocated according to the balance of the rental income after deduction during the lease term.

Initial direct costs

The initial direct costs incurred by the Group in relation to the operating leases shall be capitalized as the costs of the subject leased asset and apportioned on the same basis as the rental income recognition during the lease term, and included in profit or loss for the current period.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

39. Lease *(continued)*

(3) The Group as a lessor *(continued)*

2) *Accounting treatment for operating leases (continued)*

Depreciation

For fixed assets in operating leases, the Group measures the depreciation in accordance with depreciation policies for similar assets; for other operating leases assets, the Group adopts a systematic and reasonable method on amortization.

Variable lease payments

The variable lease payments received by the Group that are not included in the lease receipts related to the operating leases are recognized in profit or loss in the period in which they are actually incurred.

Operating lease changes

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, and any lease receipts received in advance or receivable relating to the original lease are considered as part of the lease receipts for the new lease.

40. Held-for-sale

- (1) The Group classifies non-current assets or disposal groups that meet the following criteria as held-for-sale: 1) they are ready for immediate sale under current conditions based on the practice of selling such assets or disposal groups in similar transactions; 2) it is highly probable that the sale will occur; that is, a decision has been made on a plan to sell and an undertaking to purchase has been obtained, and the sale is expected to be completed within a year. Relevant approval is required for sales subject to approval of relevant authorities or regulators as stipulated by relevant regulations. Before the Group classifies non-current assets or disposal groups as held-for-sale for the first time, the book value of each asset and liability of the non-current assets or disposal groups is measured according to the requirements of the relevant accounting standards. On initial measurement or remeasurement on the balance sheet date of a non-current asset or disposal group held-for-sale, where its book value is higher than the net value of its fair value less sales expenses, its book value is written down to that net value less disposal expenses, and the amount of the write-down is recognized as an impairment loss on the asset and charged to the current profit or loss, and at the same time, a provision is made for impairment of assets held for sale.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

40. Held-for-sale (continued)

- (2) Non-current assets or disposal groups acquired by the Group specifically for resale which satisfy the requirement of “expected completion of sale within one year” on the date of acquisition, and are probable to meet other conditions for classification as held-for-sale in the short term (usually within 3 months) are classified as held-for-sale on the date of acquisition. At initial measurement, the amount of the initial measurement assuming that it is not classified as held-for-sale and the net value of its fair value less sales expenses are compared, and the lower of the two is measured. Other than non-current assets or disposal groups acquired through business merger, the difference arising from recognizing the net value of the fair value of non-current assets or disposal groups less sales expenses as the initial measurement amount is recognized in profit and loss in the current period.
- (3) Where the Group has lost control of a subsidiary due to reasons such as disposal of investment in a subsidiary, regardless of the Group retaining part equity investment after the disposal, upon the investment in a subsidiary to be disposed of satisfying the conditions for classification as held-for-sale, the investment in a subsidiary will be generally classified as held-for-sale in the parent’s separate financial statements, and all assets and liabilities of the subsidiary are classified as held-for-sale in the consolidated financial statements.
- (4) Where there is an increase in the net value of fair value less sales expenses for non-current assets held-for-sale on subsequent balance sheet dates, the previously charged difference should be recovered and reversed in asset impairment loss recognized after classification as held-for-sale investment, with the reversal amount recognized in profit and loss in the current period. Asset impairment loss recognized before classification as held-for-sale investment is not reversible.
- (5) Asset impairment loss recognized for disposal groups held-for-sale is first offset against the book value of goodwill of the disposal groups and then offset against the book values proportionally according to the share of book value of each non-current asset.

Where there is an increase in the net value of the fair value less sales expenses of disposal groups held-for-sale at a subsequent balance sheet date, the previously charged difference should be recovered and reversed in asset impairment loss of non-current assets recognized as required by the appropriate relevant measurement after classification as held-for-sale investment, with the reversal amount recognized in profit and loss in the current period. Offset goodwill book value and asset impairment loss recognized before classification of non-current assets as held-for-sale investment are not reversible.

Reversal amount after recognition of asset impairment loss of disposal groups held-for-sale other than goodwill in the disposal groups should be added proportionally based on the share of book value of each non-current asset.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

40. Held-for-sale (continued)

- (6) No provision for depreciation or amortization of non-current assets held-for-sale or non-current assets in disposal groups, and interest on liabilities and other expenses of disposal groups held-for-sale continue to be recognized.
- (7) When non-current assets or disposal groups held-for-sale are no longer classified as held-for-sale or non-current assets are removed from disposal groups held-for-sale, measurement is performed based on the lower of the following: 1) book value prior to classification as held-for-sale adjusted by recognition of depreciation, amortization or impairment assuming there is no classification as held-for-sale; 2) recoverable amount.
- (8) Upon derecognition of non-current assets or disposal groups held-for-sale, unrecognized gain or loss is recognized in profit or loss in the current period.

41. Hedge accounting

The Group formally designates the hedging instrument and the hedged item at the beginning of the hedge, and prepares written documents on the hedging relations and the Group's risk management strategies and risk management objectives for engaging in the hedge. The written documents shall at least include the hedging instrument, the hedged item, the nature of the hedged risk and the method of assessing hedge effectiveness, etc. In addition, the Group continuously evaluates the hedge effectiveness at the beginning of the hedge and in subsequent periods.

The Group applies cash flow hedge accounting to hedges of expected transactions that satisfy the prescribed conditions and accounts for them as follows:

If a hedging instrument is designated as a cash flow hedge and satisfies relevant conditions, the portion of the gain or loss arising from the hedge that is effective is recorded as a cash flow hedge reserve in other comprehensive income, and the portion of the hedge that is ineffective is included in profit or loss for the current period.

When an expected transaction results in the Group subsequently recognizing a non-financial asset or non-financial liability, or when an expected transaction of a non-financial asset or non-financial liability creates a determined commitment that is subject to fair value hedge accounting, the Group transfers out the amount of the cash flow hedge reserve originally recognized in other comprehensive income to the amount initially recognized for that asset or liability. For cash flow hedges other than these, the Group transfers out the amount of the cash flow hedge reserve originally recognized in other comprehensive income to profit or loss for the current period in which the expected cash flows being hedged affect profit or loss.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

41. Hedge accounting (continued)

If all or part of the net loss originally included in other comprehensive income is not expected to be recovered in future accounting periods, the portion that is not recovered is transferred out to profit or loss for the current period.

When the Group ceases to apply a hedge accounting to a cash flow hedge, the cumulative cash flow hedge reserve, which is included in other comprehensive income, is retained for as long as future cash flows are expected to continue to occur and is transferred out of other comprehensive income to profit or loss for the current period when future cash flows are no longer expected to occur.

42. Accounting for income tax

Income tax is accounted for using the balance sheet liability method. Income tax expenses represent the sum of current income tax and deferred income tax. Current income tax and deferred income tax relating to the transactions and matters that are directly recorded in shareholders' equity are dealt with in shareholders' equity. Deferred tax income arising from business merger is adjusted to the book value of goodwill. Expenses or income of all other current income tax and deferred income tax are recognized in profit or loss for the current period.

The current income tax is the amount of tax payable to taxation authority by the enterprises, i.e. income tax payable, calculated and determined in accordance with tax regulations for transactions and events occurring during the year. The deferred income tax is the difference between the balances of the deferred income tax assets and deferred income tax liabilities that should be recognized using the balance sheet liabilities approach at the end of the year and their balances originally recognized.

43. Other comprehensive income

Other comprehensive income refers to the gains and losses not recognized in profit or loss for the current period in accordance with other accounting standards. The Group presents other comprehensive income by the following two groups in accordance with other relevant accounting standards:

- (1) Other comprehensive income items not eligible to be reclassified as profit or loss in the subsequent accounting periods mainly include the changes caused by remeasurement of net liabilities or net assets of defined benefit plans and the Group's share in the other comprehensive income not eligible to be reclassified as profit or loss in the subsequent accounting periods of the investee and accounted for using the equity method;



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

43. Other comprehensive income (continued)

- (2) Other comprehensive income items to be reclassified as profit or loss in the subsequent accounting periods upon the satisfaction of stipulated conditions mainly include the Group's share in other comprehensive income to be reclassified as profit or loss in the subsequent accounting periods of the investee upon the satisfaction of stipulated conditions and accounted for using the equity method, gains or losses arising from changes in the fair value of available-for-sale financial assets, gains or losses arising from the reclassification of held-to-maturity investments to available-for-sale financial assets, the portion of the gains or losses arising from cash flow hedges instrument as may be attributable to effective hedging activities, difference in translation of financial statements in foreign currency, etc.

44. Discontinued operation

The Group recognizes a separately distinguishable component that has been disposed of or classified as held-for-sale as a discontinued operation component if one of the following conditions is met: (1) the component represents an independent main business or a separate major business area; (2) the component is part of an associated plan to dispose of an independent main business or a separate major business area; (3) this component is a subsidiary that is specifically acquired for resale.

Gains or losses on operation and disposal such as impairment losses from discontinued operation and reversal are presented in the income statement as profit or loss from discontinued operation.

45. Changes in significant accounting policies and accounting estimates

- (1) Changes in significant accounting policies: Nil.
- (2) Changes in significant accounting estimates: Nil.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

46. Critical accounting judgments and key sources of estimation uncertainty

The application of the Group's accounting policies (Note III) requires the Group to make judgments, estimations, and assumptions about the carrying value of statement items that cannot be measured accurately. These judgments, estimations, and assumptions are based on the Group's management's historical experience and consideration of other relevant factors, and actual results may differ from the Group's estimates.

1. The following are the critical accounting judgements made in the implementation of the Group's accounting policies:

- 1) *Judgement on the recognition of electricity price subsidies revenue in respect of the operation business of wind power and PV power plants*

Electricity price subsidies revenue represents the renewable energy subsidies corresponding to the Group's wind power and PV power operation business. If the Group meets all the conditions for renewable energy subsidies and it is reasonably certain that the subsidized electricity tariffs will be received, the electricity price subsidies revenue will be recognized at its fair value.

Pursuant to the Administrative Measures on Additional Funds for Renewable Energy Tariffs (《可再生能源電價附加資金管理辦法》) jointly issued by the MOF, the NDRC and the National Energy Administration (the "NEA") on 20 January 2020 (the "2020 Administrative Measures"), the power grid companies will regularly publish a list of power station projects entitled to receive electricity price subsidies. For grid-connected power station projects that have not yet been included in the list, they must meet the electricity price subsidy-related requirements and conditions stipulated in the 2020 Administrative Measures and complete the submission and approval on the platform. Power grid companies will follow the principles set out in the 2020 Administrative Measures in determining the eligibility and regularly announce the grid connected power station projects included in the list.

As at the reporting date of the 2025 interim financial report, the Group has conducted a self-inspection of the grid-connected power station projects currently in operation in accordance with the 2020 Administrative Measures and the relevant regulations and conditions. Five power plants have not yet been included in the list of subsidized projects, which the Group has judged to be in compliance with the electricity price subsidy regulations and conditions. There is no material obstacle to entering the subsidy list, and they are eligible for electricity price subsidies when the electricity is delivered to and connected to the grid. Considering the fact that the State Grid has no record of bad debts and the electricity subsidies are allocated by the MOF, the Group is confident that the accrued income from electricity price subsidies can be fully recovered, subject only to the timing of the allocation of the subsidies.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

46. Critical accounting judgments and key sources of estimation uncertainty (continued)

2. The main estimation uncertainties in the Group's accounting estimates that may result in the risk of material adjustments to the carrying amounts of assets and liabilities are set out below:

- (1) *Impairment and useful lives of property, plant, polysilicon production lines, and wind power and PV power plant assets*

At the end of the Reporting Period, property, plant, polysilicon production lines, and wind power and PV power plant assets are stated at cost less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group makes judgements and accounting estimates, particularly in assessing: (1) whether an event has occurred or any indication that may affect the asset value; (2) whether the recoverable amount of the asset is greater than its carrying amount, and the recoverable amount is generally based on the present value of estimated future cash flows from the continued use of the asset; and (3) the appropriate key assumptions that will be applied to the estimation of the recoverable amount (including cash flow forecasts and appropriate discount rates). Due to factors such as turbulence in the financial markets and the new energy industry, the growth rate and discount rate in the cash flow forecasts for the current year are subject to uncertainty.

The Group has made significant investments in property, plant, and polysilicon production lines and wind power and PV power plant assets. In the future, if there is any change in the above assumptions and accounting estimates (including the discount rate or revenue growth rate in cash flow forecasts), it may have a significant impact on the recoverable amount. The carrying value of some assets may be higher than their recoverable amounts, resulting in a material impairment loss of assets.

In addition, when the Group determines the estimated useful lives and related depreciation expenses of its property, plant, polysilicon production lines and wind power and PV power plant assets, the relevant accounting estimates are based on the historical experience of the actual useful lives of property, plant, polysilicon production lines and wind power and PV power plant assets of similar nature and function. Management will reduce or increase the depreciation expense if the expected useful lives are longer or shorter than previously estimated. Actual useful lives may differ from estimated useful lives, resulting in changes in depreciation expense in future periods.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

46. Critical accounting judgments and key sources of estimation uncertainty (continued)

2. The main estimation uncertainties in the Group's accounting estimates that may result in the risk of material adjustments to the carrying amounts of assets and liabilities are set out below: (continued)

(2) *Provision for expected credit loss on accounts receivable*

Based on the actual credit losses in previous years, and considering the prospective information in the current year, the accounting estimation policies to measure the expected credit loss are as follows: the Group determines the expected credit loss rate in a single item for accounts receivable with significantly different credit risks; in addition to determining the expected credit loss rate for accounts receivable in a single item, the Group adopts the expected credit loss model based on the characteristics of aging, calculates the expected credit loss of accounts receivable through default risk exposure of accounts receivable and expected credit loss rate, and determines the expected credit loss rate based on the default probability and loss given default.

The Group adjusts the historical loss given default rate if it is forecasted that economic conditions (such as gross domestic product) will deteriorate in the coming year, which in turn may lead to an increase in the number of defaults by customers in the industry. The Group updates the historical loss given default rate at each reporting date and analyses changes in estimates of prospective information, which, if changed, would have an impact on the amount of provision for impairment of the Group's accounts receivable.

(3) *Measurement of right-of-use assets and lease liabilities*

The Group estimates right-of-use assets and lease liabilities based on the terms of the lease agreements and the Group's incremental borrowing rates. The Group is required to make estimates at each reporting date in determining the Group's incremental borrowing rates.



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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

46. Critical accounting judgments and key sources of estimation uncertainty (continued)

2. The main estimation uncertainties in the Group's accounting estimates that may result in the risk of material adjustments to the carrying amounts of assets and liabilities are set out below: (continued)

(4) *Income tax*

The Group's principal businesses include the R&D, production and sales of polysilicon; the development, construction and operation of wind power and PV power plants; and the R&D, manufacturing and sales of electrical equipment such as inverters, SVG and FDC Converter Valves, and it is subject to corporate income tax in numerous jurisdictions. In the normal business activities and the preferential tax policies enjoyed by the Company, there are uncertainties in the final income tax treatment related to some transactions. In calculating income tax expense, the Group is required to make significant accounting estimates. If the final amount recognised for these tax matters differs from the amount initially recorded, it could result in a material adjustment to the carrying value of current income tax expense and deferred income tax expense.

(5) *Fair value measurement*

For the purpose of the Group's financial reporting, certain assets and liabilities are measured at fair value. The Group's chief accountant determines the appropriate valuation techniques and inputs for fair value measurements.

When estimating the fair value of assets or liabilities, the Group uses market observable data whenever possible. If Level 1 inputs are not available, the Group engages a third-party qualified valuer to perform the valuation. The chief accountant works closely with a qualified external valuer to establish appropriate valuation techniques and inputs for the valuation models. As judgements and estimates are required in establishing the relevant valuation techniques and their associated inputs, changes in assumptions about these factors may affect the fair value of such assets or liabilities.

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IV. TAXATION

- The main types and rates of taxes applicable to the Group are as follows:

Type of taxes	Tax basis	Tax rate
Value-added tax	Value added amount from sales of goods and provision of taxable services	13%, 9%, 6%, 3%
City maintenance and construction tax	Actual amount of turnover tax paid	7%, 5%, 1%
Education surcharges	Actual amount of turnover tax paid	3%
Local educational surcharge	Actual amount of turnover tax paid	2%
Enterprise income tax	Taxable income	25%, 20%, 15%, 5%

- Tax preference and approvals**

(1) Value-added tax

According to the Notice of the MOF and the State Taxation Administration on the Issuance of the Catalogue on Products and Labour Services relating to Comprehensive Utilisation of Resources Eligible for Concessions of Value-added Tax (Cai Shui [2015] No. 78), the policy of 70% instant refund of value-added tax shall be implemented for the sales of self-produced products by taxpayers included in the catalogue attached to the notice. The production and sale of autoclaved aerated concrete blocks by Xinjiang Xinte Energy Construction Material Co., Ltd., a subsidiary of the Company, meets the condition that more than 70% of the raw materials of bricks, tiles, blocks and other products in the catalogue come from industrial waste, and enjoys the policy of 70% instant refund of value-added tax.

According to the Notice of the MOF and the State Taxation Administration on Value-added Tax Policies for Software Products (Cai Shui [2011] No. 100), there are embedded software products in the goods sold by TBEA Xi'an Electrical Technology Co., Ltd., a subsidiary of the Company. On 17 July 2019, TBEA Xi'an Electrical Technology Co., Ltd. obtained the Tax Eligibility Form for the instant refund of value-added tax on software products from the Tax Bureau of Xi'an High-tech Development Zone of the State Taxation Administration, and enjoys the preferential policy of instant refund of embedded software value-added tax for the part of the actual tax burden exceeding 3% since July 2019.

According to the Circular of the MOF and the State Taxation Administration on Value-Added Tax Policy for Wind Power Generation (Cai Shui (2015) No. 74), since 1 July 2015, the policy of 50% instant refund of value-added tax is implemented for the sale of electricity products generated by wind power and produced by taxpayers. The Company's subsidiaries, Guyang County Wind Power Generation Co., Ltd. (固陽縣風源發電有限責任公司), Ruqiang Zhuo Shang New Energy Co., Ltd. (若羌縣卓尚新能源有限公司) and Heze Mudan District Haofeng New Energy Co., Ltd. (荷澤市牡丹區浩風新能源有限公司) applied for the preferential policy of 50% levy and refund of VAT in 2023.



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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

IV. TAXATION (continued)

2. Tax preference and approvals (continued)

(1) Value-added tax (continued)

According to the Announcement of the MOF, the State Taxation Administration and the General Administration of Customs on Relevant Policies for Deepening the Value-Added Tax Reform (Announcement [2019] No. 39 of the MOF, the State Taxation Administration and the General Administration of Customs), the Announcement of the MOF and the State Taxation Administration on Further Strengthening the Implementation of Policies for Period-end Uncredited Value-Added Tax Refund (Announcement [2022] No. 14 of the MOF and the State Taxation Administration), the taxpayers who meet the requirements of both announcements may apply to the competent tax authorities for refund of the newly-added credits. Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司), Xinjiang Jingshuo New Material Co., Ltd. (新疆晶碩新材料有限公司) and TBEA Xi'an Flexible Power Transmission & Distribution Co., Ltd. (特變電工西安柔性輸配電有限公司), subsidiaries of the Company, complied with the above preferential policies and applied for the tax refund in 2024.

Pursuant to the requirements of the Announcement of the MOF and the State Taxation Administration on the Policies for Supertax and Deduction of Value-Added Tax for Advanced Manufacturing Enterprises (Announcement [2023] No. 43 of the MOF and the State Taxation Administration) (《財政部稅務總局關於先進製造業企業增值稅加計抵減政策的公告》), advanced manufacturing enterprises are allowed to deduct the VAT payable by 5% of the current deductible input tax amount from 1 January 2023 to 31 December 2027. The Company and its subsidiaries such as Xinjiang Jingshuo New Materials Co., Ltd. (新疆晶碩新材料有限公司), Xinjiang Xinte Energy Construction Material Co., Ltd. (新疆新特新能建材有限公司), Xinjiang Xinte Crystal Silicon Hightech Co., Ltd. (新疆新特晶體硅高科技有限公司) and Inner Mongolia Xinte Silicon Materials Co., Ltd. (內蒙古新特硅材料有限公司) complied with the above tax preferential policies and enjoyed the above preferential tax from 1 January 2023.

IV. TAXATION (continued)

2. Tax preference and approvals (continued)

(2) Enterprise income tax

1) *Preferential tax treatment for hi-tech enterprises*

According to the Notice of the Ministry of Science and Technology, the MOF and the State Administration of Taxation on the Revision and Issuance of the Administrative Measures for Determination of High-Tech Enterprises (Guo Ke Fa Huo [2016] No. 32), Xinjiang Xinte Xinneng Materials Co., Ltd., a subsidiary of the Company, was jointly recognized as a national high-tech enterprise by the Department of Science and Technology, Department of Finance and Taxation Bureau of Xinjiang Uygur Autonomous Region, with the certificate number GR202065000064 and GR202365000102, issued on 19 October 2020 and 16 October 2023 respectively, valid for three years, and the enterprise income tax rate of 15% for the first half of 2025.

According to the Notice of the Ministry of Science and Technology, the MOF and the State Administration of Taxation on the Revision and Issuance of the Administrative Measures for Determination of High-Tech Enterprises (Guo Ke Fa Huo [2016] No. 32), The subsidiary of the Company, Inner Mongolia Xinte Silicon Materials Co., Ltd., was jointly recognized as a national high-tech enterprise by the Department of Science and Technology, Department of Finance and Taxation Bureau of Inner Mongolia Autonomous Region, with the certificate number GR202315000010, issued on 26 October 2023, valid for three years, and the enterprise income tax rate of 15% in the first half of 2025.



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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

IV. TAXATION (continued)

2. Tax preference and approvals (continued)

(2) Enterprise income tax (continued)

2) *Preferential tax treatment for exploration and development of the western region*

According to the Notice of the Continuation of the Enterprise Income Tax for Implementation of Exploration and Development of Western Region (MOF Notice [2020] No. 23) by the MOF, the State Administration of Taxation and the NDRC, enterprise income tax will be levied at a reduced rate of 15% on enterprises located in the western region in the encouraged industries from 1 January 2021 to 31 December 2030. The enterprises in encouraged industries stated in this provision refer to those whose main business belongs to the industries and projects as set out in the Catalogue of Encouraged Industries in Western Region and whose main business income accounts for more than 60% of the total income of the enterprise. The subsidiaries entitled to the above preferential documents include Xinjiang Xinte Crystal Silicon Hightech Co., Ltd. (新疆新特晶體硅高科技有限公司), Xinte Silicon New Materials Co., Ltd. (新特硅基新材料有限公司), TBEA Xinjiang Sunoasis Co., Ltd. (特變電工新疆新能源股份有限公司), TBEA Xi'an Electrical Technology Co., Ltd. (特變電工西安電氣科技有限公司), TBEA Xi'an Flexible Power Transmission & Distribution Co., Ltd. (特變電工西安柔性輸配電有限公司), Xi'an TBEA Electric Power Design Co., Ltd. (西安特變電工電力設計有限責任公司), Xi'an Purui Xinte Energy Co., Ltd. (西安普瑞新特能源有限公司), Shaanxi TBEA New Energy Co., Ltd. (陝西特變電工新能源有限公司), Habahe County Xinte Wind Power Co., Ltd. (哈巴河縣新特風電有限公司), Hami Huafeng New Energy Power Generation Co., Ltd. (哈密華風新能源發電有限公司), Heqing Huineng Power Generation Co., Ltd. (鶴慶匯能發電有限責任公司), Hami Fengshang Power Generation Co., Ltd. (哈密風尚發電有限責任公司), Mulei County Jiayu Fengsheng Power Generation Co., Ltd. (木壘縣嘉裕風晟發電有限公司), Mulei County Xinte Huineng Power Generation Co., Ltd. (木壘縣新特匯能發電有限責任公司), Zhongmin (Mulei) Wind Power Co., Ltd. (中閩(木壘)風電有限公司), Wuwei Wusheng New Energy Technology Co., Ltd. (武威武晟新能源科技有限公司), Zhidan County Xinsheng PV Technology Co., Ltd. (志丹縣新晟光伏科技有限公司), Shache County Xinshang Energy Power Generation Co., Ltd. (莎車縣新尚能源發電有限責任公司) and Ruoqiang Zhuo Shang New Energy Co., Ltd. (若羌縣卓尚新能源有限公司).

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(The notes to the financial statements are presented in RMB, except as otherwise noted)

IV. TAXATION (continued)

2. Tax preference and approvals (continued)

(2) Enterprise income tax (continued)

3) Preferential enterprise income tax treatment for public infrastructure projects

According to the Regulation on the Implementation of the Enterprise Income Tax Law of the People's Republic of China, Cai Shui [2008] No. 46, Cai Shui [2008] No. 116, Guo Shui Fa [2009] No. 80 and other documents, incomes from investments in and operation of public infrastructure projects that satisfy the scope, conditions and standards specified in the Catalogue of Public Infrastructure Projects Enjoying Preferential Enterprise Income Tax (Cai Shui [2008] No. 46) (the "Catalogue") shall, commencing from the taxable year in which such project receives its first business income, be exempted from enterprise income tax from the first year to the third year, and be entitled to a 50% reduction in enterprise income tax from the fourth year to the sixth year. The companies that are entitled to the above preferential enterprise income tax treatment are shown as the following table:

Name of company	Exemption period of income tax	50% reduction-period of income tax	Remarks
Zhidan County Xinsheng PV Technology Co., Ltd. (志丹縣新晟光伏科技有限公司)	2020-2022	2023-2025	
Xilingol Xinyuan New Energy Co., Ltd. (錫林郭勒新園新能源有限公司)	2020-2022	2023-2025	
Zhengxiangbai Banner Fengsheng Power Generation Co., Ltd. (正鑲白旗風盛發電有限公司)	2020-2022	2023-2025	
Mulei County Jiayu Fengsheng Power Generation Co., Ltd. (木壘縣嘉裕風晟發電有限公司)	2021-2023	2024-2026	
Mulei County Xinte Huineng Power Generation Co., Ltd. (木壘縣新特匯能發電有限責任公司)	2021-2023	2024-2026	
Heze Mudan District Haofeng New Energy Co., Ltd. (荷澤市牡丹區浩風新能源有限公司)	2021-2023	2024-2026	
Luyi Fengyi Power Co., Ltd. (鹿邑縣風易發電有限公司)	2021-2023	2024-2026	
Burqin County Jingneng Wind Power Co., Ltd. (布爾津縣晶能風力發電有限責任公司)	2021-2023	2024-2026	
Zhongmin (Mulei) Wind Power Co., Ltd. (中閩(木壘)風電有限公司)	2021-2023	2024-2026	
Fengning Manchu Autonomous County Xinlong Wind Power Co., Ltd. (豐寧滿族自治縣新隆風力發電有限公司)	2022-2024	2025-2027	



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(The notes to the financial statements are presented in RMB, except as otherwise noted)

IV. TAXATION (continued)

2. Tax preference and approvals (continued)

(2) Enterprise income tax (continued)

3) Preferential enterprise income tax treatment for public infrastructure projects (continued)

Name of company	Exemption period of income tax	50% reduction-period of income tax	Remarks
Hami Zhenchao Wind Power Co., Ltd. (哈密市振超風力發電有限公司)	2022–2024	2025–2027	
Dunhuang Teneng New Energy Co., Ltd. (敦煌市特能新能源有限公司)	2022–2024	2025–2027	
Xingtang County Xingte New Energy Co., Ltd. (行唐縣行特新能源有限公司)	2022–2024	2025–2027	
Wuwei Wusheng New Energy Technology Co., Ltd. (武威武晟新能源科技有限公司)	2023–2025	2026–2028	
Shache County Xinshang Energy Power Generation Co., Ltd. (莎車縣新尚能源發電有限責任公司)	2023–2025	2026–2028	
Ruoqiang Zhuo Shang New Energy Co., Ltd. (若羌縣卓尚新能源有限公司)	2023–2025	2026–2028	
Laohekou Guangte Risheng New Energy Co., Ltd. (老河口市光特日盛新能源有限責任公司)	2023–2025	2026–2028	
Hami Shisanjianfang Xinte Wind Energy Co., Ltd. (哈密十三間房新特風能有限責任公司)	2023–2025	2026–2028	
Xifeng Rongsheng Power New Energy Co., Ltd. (西豐縣榮晟電力新能源有限公司)	2023–2025	2026–2028	
Kalpin County Kete New Energy Co., Ltd. (柯坪縣柯特新能源有限責任公司)	2023–2025	2026–2028	
Wuyang County Xinyang New Energy Co., Ltd. (舞陽縣新陽新能源有限公司)	2024–2026	2027–2029	
Wenxi County Xinjia New Energy Co., Ltd. (聞喜縣新佳新能源有限公司)	2024–2026	2027–2029	
Tianjin LingSheng New Energy Co., Ltd. (天津市凌晟新能源有限公司)	2024–2026	2027–2029	
Fuping County Mingte New Energy Co., Ltd. (阜平縣名特新能源有限公司)	2023–2025	2026–2028	
Urumqi Junsheng Wind Power Generation Co., Ltd. (烏魯木齊縣君盛風力發電有限公司)	2023–2025	2026–2028	

IV. TAXATION (continued)

2. Tax preference and approvals (continued)

(2) Enterprise income tax (continued)

4) *Preferential tax treatment for small and low-profit enterprises*

According to the Announcement of the MOF and the State Administration of Taxation on Further Implementing the Preferential Income Tax Policies for Small and Micro Enterprises (Announcement of the MOF and the SAT [2022] No. 13), from 1 January 2022 to 31 December 2024, for the part of small and low-profit enterprises whose annual taxable income exceeding RMB1 million but don't exceed RMB3 million, 25% shall be included in the taxable income, and the enterprise income tax shall be paid at the tax rate of 20%. According to the Announcement on the Preferential Income Tax Policies for Small and Micro Enterprises and Individual Business (Announcement of the MOF and the SAT [2023] No. 6), from 1 January 2023 to 31 December 2024, for the part of small and low-profit enterprises whose annual taxable income does not exceed RMB1 million, 25% shall be included in the taxable income, and the enterprise income tax shall be paid at the tax rate of 20%. According to the Announcement of the MOF and the State Administration of Taxation on Further Support of Tax Policies for Development of Small and Micro Enterprises and Individual Business (Announcement of the MOF and the SAT [2023] No. 12), the taxable income of small and low-profit enterprises shall be calculated at the tax rate of 25%, and the policy of paying enterprise income tax at the tax rate of 20% shall continue to be implemented until 31 December 2027. Xinjiang Information Technology Co., Ltd. (新疆知信科技有限公司), Xinjiang Shahai Green Energy Services Co., Ltd. (新疆沙海綠色能源服務有限公司), Xinjiang Silicon-based New Material Innovation Center Co., Ltd. (新疆硅基新材料創新中心有限公司), Changji Prefecture Shengding New Energy Power Generation Co., Ltd. (昌吉州盛鼎新能源發電有限公司) and Urumqi Antai Fengsheng Power Technology Co., Ltd. (烏魯木齊安泰風晟電力科技有限公司), subsidiaries of the Company, are eligible for the preferential tax policies for small and micro enterprises, with the enterprise income tax levied at the applicable tax rate for small and micro enterprises in the first half of 2025.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS

For the data of consolidated financial statements disclosed below, unless otherwise indicated, “opening” or “beginning of the period” represents 1 January 2025, “closing” or “end of the period” represents 30 June 2025, “current period” represents the period from 1 January to 30 June 2025, “previous period” represents the period from 1 January to 30 June 2024, all figures are stated in RMB.

1. Monetary capital

Items	Closing balance	Opening balance
Cash in hand	—	—
Bank deposits	6,261,228,705.22	4,185,504,812.91
Other monetary capital	3,709,542,248.89	7,008,304,973.35
Deposit in financial company	1,986,091,146.85	469,275,053.50
Total	11,956,862,100.96	11,663,084,839.76
Including: Total amount deposited overseas	120,633,966.24	176,457,815.38

Restricted monetary capital

Items	Closing balance	Opening balance
Security deposits for bank acceptance notes	261,232,633.47	1,698,068,734.26
Security deposits for the letter of guarantee	95,330,090.29	129,750,783.46
Funds frozen by the court	466,664,460.60	226,180,269.81
Special funds under shared accounts	46,291,415.39	110,107,804.83
Margin and deposits for land rehabilitation	31,856,125.80	32,856,977.62
Foreign exchange margin	—	2,832,839.23
Term deposits and call deposits	2,566,447,433.72	3,925,340,874.77
Futures margin	9,494,710.80	43,286,888.25
ETC margin	19,744.20	16,721.60
Total	3,477,336,614.27	6,168,441,893.83

2. Financial assets held for trading

Items	Closing balance	Opening balance
Financial assets at fair value through profit or loss	74,405,718.19	78,940,678.80
Including: Investments in equity instruments	54,110,364.14	52,454,608.34
Investments in derivative instruments	1,594,625.00	—
Structured bank deposits	18,700,729.05	26,486,070.46
Total	74,405,718.19	78,940,678.80

Note: Investments in equity instruments represent equity investments held and are accounted for as financial assets at fair value through profit or loss and presented as financial assets held for trading in accordance with management's intention.

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. Notes receivable

(1) Notes receivable by category

Items	Closing balance	Opening balance
Bank acceptance notes	152,920,715.86	388,504,071.71
Trade acceptance notes	505,617,596.44	612,377,670.37
Total	658,538,312.30	1,000,881,742.08

(2) Pledged notes receivable at the end of the period

Items	Pledged amount at the end of the period
Bank acceptance notes	279,147,247.49

(3) Notes receivable endorsed or discounted at the end of the period but not due at the balance sheet date

Items	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Bank acceptance notes	81,937,287.81	21,243,185.79
Trade acceptance notes	—	1,136,956.74
Total	81,937,287.81	22,380,142.53

(4) Notes transferred to accounts receivable at the end of the period due to non-performance of issuers

Nil.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. Notes receivable (continued)

(5) Method of provision for bad debts by category

Category	Book balance		Closing balance		Carrying amount
	Amount	Percentage (%)	Provision for bad debts		
			Amount	Provision percentage (%)	
Bad debt provision made on individual basis	—	—	—	—	—
Bad debt provision made on a collective basis	665,190,214.45	100.00	6,651,902.15	1.00	658,538,312.30
Including: Bank acceptance notes	154,465,369.56	23.22	1,544,653.70	1.00	152,920,715.86
Trade acceptance notes	510,724,844.89	76.78	5,107,248.45	1.00	505,617,596.44
Total	665,190,214.45	100.00	6,651,902.15	—	658,538,312.30

Category	Book balance		Opening balance		Carrying amount
	Amount	Percentage (%)	Provision for bad debts		
			Amount	Provision percentage (%)	
Bad debt provision made on individual basis	—	—	—	—	—
Bad debt provision made on a collective basis	1,010,991,658.66	100.00	10,109,916.58	1.00	1,000,881,742.08
Including: Bank acceptance notes	392,428,355.26	38.82	3,924,283.55	1.00	388,504,071.71
Trade acceptance notes	618,563,303.40	61.18	6,185,633.03	1.00	612,377,670.37
Total	1,010,991,658.66	100.00	10,109,916.58	—	1,000,881,742.08

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. Notes receivable (continued)

(6) Provisions for bad debt accrued, recovered and reversed for notes receivable during the current period

Category	Opening balance	Changes of the current period				Closing balance
		Accrued	Recovered or reversed	Carry-forward or written off	Others	
Bank acceptance notes	3,924,283.55	-2,379,629.85	—	—	—	1,544,653.70
Trade acceptance notes	6,185,633.03	-1,078,384.58	—	—	—	5,107,248.45
Total	10,109,916.58	-3,458,014.43	—	—	—	6,651,902.15

(7) Notes receivable written off in the current period

Nil.

(8) Aging of the notes receivable at the end of the period

The aging of the above notes receivable at the end of the period of the Group were all within 180 days.

4. Accounts receivable

(1) Method of provision for bad debts made on accounts receivable by category

Category	Book balance		Closing balance		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)	
Bad debt provision made on individual basis	92,565,815.17	1.51	92,565,815.17	100.00	—
Bad debt provision made on a collective basis	6,030,308,459.02	98.49	485,440,076.57	8.05	5,544,868,382.45
Including: Portfolio of aging	2,722,427,343.58	44.46	278,899,896.59	10.24	2,443,527,446.99
Portfolio of electricity and subsidies	3,307,881,115.44	54.03	206,540,179.98	6.24	3,101,340,935.46
Total	6,122,874,274.19	100.00	578,005,891.74	—	5,544,868,382.45

Note: Details of restricted accounts receivable are set out in Note V. 57, and details of pledged accounts receivable are set out in Note XIII. 3.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Accounts receivable (continued)

(1) Method of provision for bad debts made on accounts receivable by category (continued)

Category	Book balance		Opening balance Provision for bad debts		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)	
Bad debt provision made on individual basis	92,565,816.17	1.64	92,565,816.17	100.00	—
Bad debt provision made on a collective basis	5,537,501,973.32	98.36	479,058,659.26	8.65	5,058,443,314.06
Including: Portfolio of aging	2,485,204,509.04	44.14	299,458,548.24	12.05	2,185,745,960.80
Portfolio of electricity and subsidies	3,052,297,464.28	54.22	179,600,111.02	5.88	2,872,697,353.26
Total	5,630,067,789.49	100.00	571,624,475.43	—	5,058,443,314.06

1) Bad debt provision made on accounts receivable on individual basis

Item	Closing balance		Provision percentage (%)	Reasons for provision
	Book balance	Provision for bad debts		
Reduction or cancellation of electricity price subsidies for some projects	92,565,815.17	92,565,815.17	100.00	Not expected to be recovered
Total	92,565,815.17	92,565,815.17	100.00	—

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Accounts receivable (continued)

(1) Method of provision for bad debts made on accounts receivable by category (continued)

2) Bad debt provision made on accounts receivable on an aging portfolio basis

Aging	Closing balance		Provision percentage (%)
	Accounts receivable	Bad debt provision	
Within 1 year (inclusive)	1,992,862,223.99	39,909,944.66	2.00
1 year to 2 years (inclusive)	88,502,917.46	4,425,145.87	5.00
2 years to 3 years (inclusive)	272,224,992.01	54,444,998.41	20.00
3 years to 4 years (inclusive)	181,285,436.24	54,385,630.87	30.00
4 years to 5 years (inclusive)	123,635,194.14	61,817,597.07	50.00
Over 5 years	63,916,579.74	63,916,579.71	100.00
Total	2,722,427,343.58	278,899,896.59	—

Aging	Opening balance		Provision percentage (%)
	Accounts receivable	Bad debt provision	
Within 1 year (inclusive)	1,536,765,062.42	30,735,301.25	2.00
1 year to 2 years (inclusive)	267,647,804.83	13,382,390.23	5.00
2 years to 3 years (inclusive)	308,888,837.32	61,777,767.47	20.00
3 years to 4 years (inclusive)	207,335,831.78	62,200,749.55	30.00
4 years to 5 years (inclusive)	66,409,265.91	33,204,632.96	50.00
Over 5 years	98,157,706.78	98,157,706.78	100.00
Total	2,485,204,509.04	299,458,548.24	—

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Accounts receivable (continued)

(1) Method of provision for bad debts made on accounts receivable by category (continued)

3) In portfolios, accounts receivable with provision made for bad debts using other methods

Among the portfolio of electricity and subsidies, upon taking into account the aging situation, the Company discounted the book balance of the portfolio of electricity and subsidies based on the decline of 10% of the five-year loan prime rate (LPR) during the Reporting Period, and calculated the expected credit loss based on the difference between book value and discounted amount.

Aging	Closing balance		Provision percentage (%)
	Accounts receivable	Bad debt provision	
Portfolio of electricity and subsidies	3,307,881,115.44	206,540,179.98	6.24

Aging	Opening balance		Provision percentage (%)
	Accounts receivable	Bad debt provision	
Portfolio of electricity and subsidies	3,052,297,464.28	179,600,111.02	5.88

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From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Accounts receivable (continued)

(2) Accounts receivable by aging based on recording dates

Aging	Closing balance	Opening balance
Within 1 year (inclusive)	2,796,907,906.26	2,369,836,102.92
1 year to 2 years (inclusive)	752,883,248.88	884,512,706.36
2 years to 3 years (inclusive)	759,437,771.22	902,927,862.55
3 years to 4 years (inclusive)	846,260,761.37	770,794,973.24
4 years to 5 years (inclusive)	522,757,746.45	327,112,752.16
Over 5 years	444,626,840.01	374,883,392.26
Total	6,122,874,274.19	5,630,067,789.49

Note: Accounts receivable are presented by aging on their recording date.

(3) Bad debt provision for accounts receivable

Category	Opening balance	Accrued	Changes of the current year		Others	Closing balance
			Recovered or reversed	Carry-forward or written off		
Bad debt provision made on accounts receivable	571,624,475.43	10,428,045.30	—	3,887,371.33	-159,257.66	578,005,891.74
Total	571,624,475.43	10,428,045.30	—	3,887,371.33	-159,257.66	578,005,891.74

Note: During the Reporting Period, the amount of other changes in bad debt provision decreased by RMB159,257.66, due to the transfer of certain subsidiaries which were engaged in the construction and operation of PV and wind power stations by the Company.



Notes to the Financial Statements

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V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Accounts receivable (continued)

(4) Accounts receivable written off in the current period

There were no significant accounts receivable written off in the current period.

(5) Particulars of the top five of balances of accounts receivable presented by debtors

Name of entity	Closing balance	Aging	Percentage to the total closing balance of accounts receivable (%)	Closing balance of provision for bad debts
Hami Power Supply Company of State Grid Xinjiang Electric Power Co., Ltd. (國網新疆電力有限公司哈密供電公司)	1,342,626,803.31	Within 5 years	21.93	88,304,319.68
Inner Mongolia Power (Group) Co., Ltd. (內蒙古電力(集團)有限責任公司)	482,880,258.90	Within 5 years	7.89	43,110,042.14
Aletai Power Supply Company of State Grid Xinjiang Electric Power Co., Ltd. (國網新疆電力有限公司阿勒泰供電公司)	450,535,774.00	Within 5 years	7.36	23,185,370.98
State Grid Shanxi Electric Power Company (國網山西省電力公司)	385,656,687.76	Within 5 years	6.30	31,273,427.82
Changji Power Supply Company of State Grid Xinjiang Electric Power Co., Ltd. (國網新疆電力有限公司昌吉供電公司)	327,694,391.97	Within 4 years	5.35	34,313,780.36
Total	2,989,393,915.94	—	48.83	220,186,940.98

The aggregate amount of the top five of closing balances of accounts receivable presented by debtors was RMB2,989,393,915.94 in the current period, accounting for 48.83% of the total closing balance of accounts receivable, and the aggregate amount of the closing balance of corresponding provision for bad debts was RMB220,186,940.98.

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From 1 January 2025 to 30 June 2025
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V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. Receivables financing

(1) Receivables financing by category

Items	Closing balance	Opening balance
Notes receivable	411,745,975.28	1,151,997,262.66
Total	411,745,975.28	1,151,997,262.66

Note: The bank acceptance notes included in the balance of receivables financing have short remaining terms, and their carrying amount approximates to the fair value. Therefore, the carrying amount is used as the fair value at the end of the period.

Note: Details of restricted receivables financing are set out in Note V. 57.



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From 1 January 2025 to 30 June 2025

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V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

6. Prepayments

(1) Aging of prepayments

Aging	Closing balance		Opening balance	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year (inclusive)	1,994,906,068.36	93.19	468,826,699.15	92.62
1 year to 2 years (inclusive)	116,751,923.59	5.45	19,984,571.21	3.95
2 years to 3 years (inclusive)	1,371,476.84	0.06	10,762,603.67	2.13
Over 3 years	27,810,018.76	1.30	6,620,737.38	1.31
Total	2,140,839,487.55	100.00	506,194,611.41	100.00

(2) Particulars of the top five of balances of prepayments presented by debtors

Name of entity	Closing balance	Aging	Percentage to the total closing balance of prepayments (%)
Beijing Chengye Electronics Co., Ltd. (北京成晔電子有限公司)	278,049,784.02	1 year to 2 years	12.99
Xinjiang TBEA Energy Equipment Co., Ltd. (新疆特變電工能源裝備有限公司)	230,947,442.04	Within 1 year	10.79
Sany Renewable Energy Co., Ltd. (三一重能股份有限公司)	202,170,082.29	Within 1 year	9.44
Windey Energy Technology Group Co., Ltd (運達能源科技集團股份有限公司)	185,627,543.36	Within 1 year	8.67
Goldwind Science & Technology Co., Ltd. (金風科技股份有限公司)	170,976,072.21	Within 1 year	7.99
Total	1,067,770,923.92	—	49.88%

The aggregate amount of the top five of closing balances of prepayments presented by prepayment objects was RMB1,067,770,923.92 in the current period, accounting for 49.88% of the total closing balance of prepayments.

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Other receivables

Items	Closing balance	Opening balance
Interests receivable	0.00	—
Dividends receivable	105,505,807.86	106,296,344.58
Other receivables	259,521,755.24	321,249,670.14
Total	365,027,563.10	427,546,014.72

7.1 Interests receivable

Nil.

7.2 Dividends receivable

(1) Dividends receivable by category

Items	Closing balance	Opening balance
Xuwen Haoneng PV Power Generation Co., Ltd. (徐聞縣昊能光伏發電有限公司)	17,054,157.82	17,054,157.82
Wuling Jiangyong Power Co., Ltd. (五凌江永電力有限公司)	23,408,614.25	23,408,614.25
Turpan TBEA New Energy Co., Ltd. (吐魯番特變電工新能源有限公司)	8,450,692.22	8,450,692.22
Wujiaqu Xinte Energy Co., Ltd. (五家渠新特能源有限責任公司)	1,718,764.69	1,718,764.69
Sichuan Ganzi Datang International New Energy Co., Ltd. (四川甘孜大唐國際新能源 有限責任公司)	1,542,082.78	1,542,082.78
Jiangyong Shenghua Energy Development Co., Ltd. (江永晟華能源開發有限公司)	26,004,490.26	26,795,026.98
Daoxian Clean Energy Development Co., Ltd. (道縣清潔能源開發有限公司)	14,281,884.40	14,281,884.40
Jiangyong Clean Energy Development Co., Ltd. (江永清潔能源開發有限公司)	13,045,121.44	13,045,121.44
Total	105,505,807.86	106,296,344.58



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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Other receivables (continued)

7.2 Dividends receivable (continued)

(2) Significant dividends receivable with aging of over 1 year

Investees	Closing balance	Aging	Reason for non-recovery	Whether impairment is incurred and the basis of judgment
Wuling Jiangyong Power Co., Ltd. (五凌江永電力有限公司)	23,408,614.25	0 year to 2 years	Collection conditions have not been met	No
Xuwen Haoneng PV Power Generation Co., Ltd. (徐聞縣昊能光伏發電有限公司)	17,054,157.82	Over 5 years	Collection conditions have not been met	No
Turpan TBEA New Energy Co., Ltd. (吐魯番特變電工新能源有限公司)	8,450,692.22	1 year to 2 years	Collection conditions have not been met	No
Wujiaqu Xinte Energy Co., Ltd. (五家渠新特能源有限責任公司)	1,718,764.69	2 years to 3 years	Collection conditions have not been met	No
Sichuan Ganzi Datang International New Energy Co., Ltd. (四川甘孜大唐國際新能源有限責任公司)	1,542,082.78	Over 5 years	Collection conditions have not been met	No
Total	52,174,311.76	—	—	

7.3 Other receivables

(1) Other receivables by nature

Nature	Book balance at the end of the period	Book balance at the beginning of the period
Advances	23,375,823.86	51,095,440.15
Margin and deposits	203,777,282.74	262,509,454.21
Principals and interests of borrowings	33,188,867.76	26,035,503.43
Related-party transactions	61,682.70	41,463.02
Daily cash advances	10,893,228.69	9,812,218.77
Others	3,911,357.22	2,959,167.95
Total	275,208,242.97	352,453,247.53

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Other receivables (continued)

7.3 Other receivables (continued)

(2) Bad debt provision made on other receivables

Bad debt provision	Stage 1 12-month expected credit loss	Stage 2 Lifetime expected credit loss (without credit impairment)	Stage 3 Lifetime expected credit loss (with credit impairment)	Total
Opening balance	—	30,797,042.47	406,534.92	31,203,577.39
Book balance of other receivables at the beginning of the period	—	—	—	—
— transferred to Stage 2	—	—	—	—
— transferred to Stage 3	—	—	—	—
— reversed to Stage 2	—	—	—	—
— reversed to Stage 1	—	—	—	—
Accrued in current period	—	-14,997,770.52	—	-14,997,770.52
Reversed in current period	—	—	—	—
Carry-forward in current period	—	—	—	—
Written off in current period	—	—	406,534.92	406,534.92
Other changes	—	-112,784.22	—	-112,784.22
Balance	—	15,686,487.73	—	15,686,487.73

Note: Other changes in bad debt provision of the current period amounted to RMB-112,784.22, which is mainly due to the transfer and cancellation of subsidiaries by the Company. The bad debt provision for other receivables during the current year written off amounted to RMB406,534.92, mainly comprising miscellaneous advance receivables, with no significant other receivables being written off.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Other receivables (continued)

7.3 Other receivables (continued)

(3) Other receivables by aging

Aging	Closing balance	Opening balance
Within 1 year (inclusive)	205,698,583.82	249,478,335.60
1 year to 2 years (inclusive)	42,188,723.82	60,321,972.17
2 years to 3 years (inclusive)	15,016,133.90	7,334,721.81
3 years to 4 years (inclusive)	8,791,409.39	17,507,389.24
4 years to 5 years (inclusive)	321,506.27	3,640,607.93
Over 5 years	3,191,885.77	14,170,220.78
Total	275,208,242.97	352,453,247.53

(4) Bad debt provision for other receivables

Category	Opening balance	Accrued	Changes of the current period		Others	Closing balance
			Recovered or reversed	Carry-forward or written off		
Bad debt provision made on other receivables	31,203,577.39	-14,997,770.52	—	406,534.92	-112,784.22	15,686,487.73
Total	31,203,577.39	-14,997,770.52	—	406,534.92	-112,784.22	15,686,487.73

Note: Details of provision for bad debts of other changes in the current period are set out in Note V. 7, 7.3(2).

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From 1 January 2025 to 30 June 2025
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V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Other receivables (continued)

7.3 Other receivables (continued)

(5) Other receivables written off in the current period

Items	Amount written off
Other receivables written off	406,534.92

(6) Particulars of the top five of closing balances for other receivables presented by debtors

Name of entity	Nature of amount	Closing balance	Aging	Percentage to the closing balance of other receivables (%)	Closing balance of bad debt provision
Shandong Xinxin Energy Technology Co., Ltd. (山東莘信能源科技有限公司)	Margin and deposits	90,000,000.00	Within 1 year	32.70%	1,800,000.00
Guyuan County Guangsheng Photovoltaic Power Generation Co., Ltd. (沽源縣光晟光伏發電有限公司)	Transactions with third parties (principals and interests of borrowings)	14,338,625.00	Within 1 year	5.21%	286,772.50
Beijing Jingchuan Electronic Technology Development Co., Ltd. (北京晶川電子技術發展有限責任公司)	Margin and deposits	13,607,102.60	1 year to 2 years	4.94%	680,355.13
Lingbi County State-Owned Capital Operation Group Co., Ltd. (靈璧縣國有資本運營集團有限公司)	Margin and deposits	10,000,000.00	2 years to 3 years	3.63%	2,000,000.00
Zhumadian Yuzi Investment Development Co., Ltd. (駐馬店市豫資投資發展有限公司)	Margin and deposits	10,000,000.00	Within 1 year	3.63%	200,000.00
Total	—	137,945,727.60	—	50.12%	4,967,127.63

The aggregate amount of the top five of closing balances for other receivables presented by debtors was RMB137,945,727.60 in the current period, accounting for 50.12% of the total closing balance for other receivables, and aggregate amount of the closing balance of corresponding provision for bad debts was RMB4,967,127.63.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

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V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. Inventories

(1) Inventories by category

Items	Book balance	Closing balance Reserve for stock depreciation	Book value
Raw materials	981,547,459.75	114,456,931.43	867,090,528.32
Packaging materials and low-value consumables	5,860,235.34	—	5,860,235.34
Goods in stock	408,620,513.04	43,506,573.00	365,113,940.04
Work in progress and semi-finished goods	460,438,659.29	97,362,539.51	363,076,119.78
Materials processed on commission	15,998,254.10	9,739,898.36	6,258,355.74
Wind power and PV power plants	2,862,519,602.24	52,642,374.20	2,809,877,228.04
Contract performance costs	10,267,318.02	—	10,267,318.02
Total	4,745,252,041.78	317,708,316.50	4,427,543,725.28

Note: Details of pledged inventories are set out in Note XIII. 2.

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V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. Inventories (continued)

(1) Inventories by category (continued)

Items	Book balance	Opening balance Reserve for stock depreciation	Book value
Raw materials	1,087,685,779.97	145,586,482.95	942,099,297.02
Packaging materials and low-value consumables	6,229,678.95	—	6,229,678.95
Goods in stock	509,119,463.67	54,490,329.37	454,629,134.30
Work in progress and semi-finished goods	438,140,306.92	235,623,729.76	202,516,577.16
Materials processed on commission	19,229,162.31	15,852,768.81	3,376,393.50
Wind power and PV power plants	3,274,662,605.43	160,192,243.52	3,114,470,361.91
Contract performance costs	1,776,262.87	—	1,776,262.87
Total	5,336,843,260.12	611,745,554.41	4,725,097,705.71



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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. Inventories (continued)

(2) Reserve for stock depreciation

Items	Opening balance	Increase in current period		Decrease in current period		Others
		Closing balance	Accrued	Others	Carry-forward or written off	
Raw materials	145,586,482.95	1,941,109.04	—	33,070,660.56	—	114,456,931.43
Goods in stock	54,490,329.37	13,939,134.42	—	24,922,890.79	—	43,506,573.00
Work in progress and semi-finished goods	235,623,729.76	36,990,388.36	—	175,251,578.61	—	97,362,539.51
Materials processed on commission	15,852,768.81	—	—	6,112,870.45	—	9,739,898.36
Wind power and PV power plants	160,192,243.52	48,535,448.20	—	—	156,085,317.52	52,642,374.20
Total	611,745,554.41	101,406,080.02	—	238,393,667.33	157,049,650.60	317,708,316.50

Note 1: The "Other decreases" in the table was mainly due to (1) the Company's clarification of the intention of holding the 30MWp PV project in Heqing County, Yunnan of Heqing Huineng Power Generation Co., Ltd. (鶴慶匯能發電有限責任公司), a project company of the Company, as self-holding, and the previously accrued inventory impairment provision has been adjusted to fixed assets.

9. Contract assets

(1) Breakdown of contract assets

Items	Book balance	Closing balance	
		Provision for impairment	Book value
Projects completed but not settled	1,531,659,456.05	196,343,070.48	1,335,316,385.57
Retention money	384,951,033.09	109,806,121.06	275,144,912.03
Total	1,916,610,489.14	306,149,191.54	1,610,461,297.60

Items	Book balance	Opening balance	
		Provision for impairment	Book value
Projects completed but not settled	2,208,285,090.26	51,181,675.69	2,157,103,414.57
Retention money	317,714,584.14	104,975,334.61	212,739,249.53
Total	2,525,999,674.40	156,157,010.30	2,369,842,664.10

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V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. Contract assets (continued)

(2) Provision for impairment of contract assets accrued in the current period

Items	Opening balance	Accrued in current period	Reversed in current period	Carry-forward/ written off in current period	Others	Closing balance
Projects completed but not settled	51,181,675.69	145,161,394.79	—	—	—	196,343,070.48
Retention money	104,975,334.61	4,816,517.08	—	—	14,269.37	109,806,121.06
Total	156,157,010.30	149,977,911.87	—	—	14,269.37	306,149,191.54

10. Other current assets

Items	Closing balance	Opening balance
Value-added tax credits	927,808,345.48	719,940,217.44
Prepaid income tax	32,890,632.93	42,092,723.75
Prepaid goods and services tax	—	11,012,523.57
Other prepaid taxes	491,621.66	—
Large certificates of deposit	100,292,369.51	877,760,788.34
Total	1,061,482,969.58	1,650,806,253.10



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(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. Long-term equity investments

Investees	Changes in current period									Closing balance (carrying amount)	Closing balance of provision for impairment
	Opening balance (carrying amount)	Additional investment	Decrease	Profit or loss					Others		
				on investments recognized under the equity method	Adjustment of other comprehensive income	Changes of other equity	Declaration of cash dividends or profits	Provision for impairment			
Associates											
Wuling Jiangyong Power Co., Ltd. (五凌江永電力有限公司)	25,331,895.30	—	—	2,319,431.46	—	—	—	—	—	27,651,326.76	—
Jiangyong Clean Energy Development Co., Ltd. (江永清潔能源開發有限公司)	37,235,041.40	—	—	2,355,268.36	—	—	—	—	—	39,590,309.76	—
Daoxian Clean Energy Development Co., Ltd. (道縣清潔能源開發有限公司)	38,097,948.00	—	—	1,047,742.86	—	—	—	—	—	39,145,690.86	—
Jiangyong Shenghua Energy Development Co., Ltd. (江永晟華能源開發有限公司)	78,531,923.75	—	—	5,508,291.93	—	—	—	—	—	84,040,215.68	—
Jeminay Xinte Wind Power Co., Ltd. (吉木乃新特風電有限公司)	38,195,941.74	—	—	4,645,316.20	—	—	—	—	—	42,841,257.94	—
Turpan TBEA New Energy Co., Ltd. (吐魯番特變電工新能源有限公司)	91,233,217.42	—	—	1,176,523.84	—	—	—	—	—	92,409,741.26	—
Wujiagu Xinte Energy Co., Ltd. (五家渠新特能源有限責任公司)	20,278,224.92	—	—	579,707.56	—	—	—	—	—	20,857,932.48	—
Wujiagu TBEA PV Power Technology Co., Ltd. (五家渠特變電工光電科技有限責任公司)	16,854,764.45	—	—	835,611.83	—	—	—	—	—	17,690,376.28	—
China Energy Xinjiang Ganquanpu Integrated Energy Co., Ltd. (國能新疆甘泉堡綜合能源有限公司)	20,011,375.31	—	—	3,752,316.79	—	—	—	—	—	23,763,692.10	—
Huaxiang (Hongdong) New Energy Technology Co., Ltd. (華翔(洪洞)新能源科技有限公司)	855,297.48	—	—	—	—	—	—	—	—	855,297.48	—
Xinjiang Zhunneng Investment Co., Ltd. (新疆中能投資有限公司)	506,648,196.40	—	—	116,610,325.54	—	—	—	—	—	623,258,521.94	—
Xinjiang Zhundong TBEA Energy Co., Ltd. (新疆准東特變能源有限責任公司)	—	1,507,725,800.00	—	134,511,318.35	—	—	—	—	—	1,642,237,118.35	—
Sub-total	873,273,826.17	1,507,725,800.00	—	273,341,854.72	—	—	—	—	—	2,654,341,480.89	—
Total	873,273,826.17	1,507,725,800.00	—	273,341,854.72	—	—	—	—	—	2,654,341,480.89	—

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(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

12. Other equity instrument investments

(1) Breakdown of other equity instrument investments

Items	Closing balance	Opening balance
Equity instrument investments	121,824,188.20	121,824,188.20
Total	121,824,188.20	121,824,188.20

(2) Equity instrument investments not held for trading in the current period

Nil.

13. Fixed assets

Items	Closing balance	Opening balance
Fixed assets	40,627,905,107.23	41,000,088,297.20
Disposal of fixed assets	48,217.11	—
Total	40,627,953,324.34	41,000,088,297.20

Note: Details of restricted fixed assets are set out in Note V. 57; details of pledged fixed assets are set out in Note XIII. 2.

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

13. Fixed assets (continued)

(1) Breakdown of fixed assets

Items	Buildings and structures	Machinery and equipment	Transportation facilities	Electronic equipment	Others	Total
I. Original book value						
1. Opening balance	13,900,662,326.99	42,123,760,280.21	97,800,595.60	262,382,794.89	457,663,120.53	56,842,269,118.22
2. Increase in current period	480,169,248.86	694,961,891.33	2,137,125.04	18,289,656.51	80,338,725.81	1,275,896,647.55
(1) Acquisition	10,409,377.32	49,977,014.78	2,137,125.04	18,289,656.51	80,102,446.21	160,915,619.86
(2) Transfer from construction in progress	452,626,869.78	484,837,325.63	—	—	—	937,464,195.41
(3) Others	17,133,001.76	160,147,550.92	—	—	236,279.60	177,516,832.28
3. Decrease in current period	642,548.72	568,993,251.17	2,762,070.25	—	78,171,421.89	650,569,292.03
(1) Disposal or retirement	642,548.72	408,127,995.20	2,762,070.25	—	78,171,421.89	489,704,036.06
(2) Decrease in business merger	—	117,658,812.18	—	—	—	117,658,812.18
(3) Other decreases	—	43,206,443.79	—	—	—	43,206,443.79
4. Closing balance	14,380,189,027.13	42,249,728,920.37	97,175,650.39	280,672,451.40	459,830,424.45	57,467,596,473.74
II. Accumulated depreciation						
1. Opening balance	2,078,346,433.92	9,970,959,330.36	40,139,229.90	147,506,059.49	225,935,687.64	12,462,866,741.31
2. Increase in current period	215,224,011.46	1,085,903,974.26	4,238,414.02	15,237,568.13	23,480,045.83	1,354,084,013.70
(1) Accrual	210,514,220.09	1,057,500,972.49	4,238,414.02	15,237,568.13	23,432,863.98	1,310,924,038.71
(2) Other increases	4,709,791.37	38,403,001.77	—	—	47,181.85	43,159,974.99
3. Decrease in current period	1,066,251.79	316,444,653.72	589,441.32	25.8	2,622,847.35	320,723,219.98
(1) Disposal or retirement	1,066,251.79	316,444,653.72	589,441.32	25.8	2,622,847.35	320,723,219.98
(2) Decrease in business merger	—	—	—	—	—	—
4. Closing balance	2,292,504,193.59	10,750,418,650.90	43,788,202.60	162,743,601.82	246,792,886.12	13,496,247,535.03
III. Provision for impairment						
1. Opening balance	534,284,291.54	2,830,236,037.38	241,509.76	6,555,169.15	7,977,071.88	3,379,294,079.71
2. Increase in current period	4,439,982.28	42,524,483.93	—	—	—	46,964,466.21
(1) Accrual	—	961,343.02	—	—	—	961,343.02
(2) Others	4,439,982.28	41,563,140.91	—	—	—	46,003,123.19
3. Decrease in current period	—	—	—	340,181.00	—	340,181.00
(1) Disposal or retirement	—	—	—	340,181.00	—	340,181.00
(2) Others	—	—	—	—	—	—
4. Closing balance	538,724,273.82	2,872,760,521.31	241,509.76	6,214,988.15	7,977,071.88	3,425,918,364.92
IV. Carrying amount						
1. Carrying amount at the end of the period	11,548,960,559.72	28,626,549,748.16	53,145,938.03	111,713,861.43	205,060,466.45	40,545,430,573.79
2. Carrying amount at the beginning of the period	11,288,031,601.53	29,322,564,912.47	57,419,855.94	108,321,566.25	223,750,361.01	41,000,088,297.20

Note 1: The “Other increases” in the table was mainly due to the Company’s clarification of the intention of holding the 30MWp PV project in Heqing County, Yunnan of Heqing Huineng Power Generation Co., Ltd. (鶴慶匯能發電有限公司), a project company of the Company, as self-holding, and adjusting it from inventory to intangible assets.

Note 2: The “Decrease in business merger” in the table was mainly due to the offsetting of profits arising from internal transactions within self-owned power stations.

Note 3: The “Other decreases” in the table was mainly due to the quality defects of the wind turbine units provided by the supplier and the maintenance of related equipment has been transferred from fixed assets to construction in progress.

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From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. Construction in progress

Items	Closing balance	Opening balance
Construction in progress	5,997,137,683.95	5,016,699,950.59
Project materials	15,510,165.57	107,757,604.52
Total	6,012,647,849.52	5,124,457,555.11

Note: Details of restricted construction in progress are set out in Note V. 57; details of pledged construction in progress are set out in Note XIII. 2.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. Construction in progress (continued)

14.1 Construction in progress

(1) Breakdown of construction in progress

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Chengde Shanggu 200MW Agriculture-PV Complement Energy Storage Comprehensive Demonstration Project	853,979,489.21	—	853,979,489.21	741,655,695.12	—	741,655,695.12
Zhulong Xinte Polysilicon Green Low-Carbon Industrial Park Demonstration Project 1GW PV and Supporting Energy Storage Project	840,940,903.05	—	840,940,903.05	636,194,277.06	—	636,194,277.06
Pingshan Lake Million Kilowatt Wind Power Base, Ganzhou District, Zhangye City, Gansu Province, 200,000 Kilowatt Wind Power Project	820,501,996.69	—	820,501,996.69	567,678,466.02	—	567,678,466.02
Anhui Suzhou Sixian 100MW Parity Wind Farm Project	673,747,416.49	—	673,747,416.49	606,082,618.81	—	606,082,618.81
Fengning Xinlong Yuershan 250MW Wind and PV and Hydrogen Storage Integration Project	669,411,304.62	—	669,411,304.62	339,374,711.43	—	339,374,711.43
Yongcheng Phase II 200MW Wind Power Project	508,877,521.92	—	508,877,521.92	241,321,994.46	—	241,321,994.46
Henan Yongcheng 100MW Parity Wind Farm Project	456,471,760.10	—	456,471,760.10	263,487,003.07	—	263,487,003.07
Hengshui Gucheng 200MW/400MWh Centralized (Shared) Energy Storage Project	271,555,917.25	—	271,555,917.25	242,322,033.93	—	242,322,033.93
Wuqing Baigutun 48MW Centralized Wind Power Project	153,233,478.68	—	153,233,478.68	74,734,981.97	—	74,734,981.97
Zhulong Xinte Polysilicon Green Low-Carbon Industrial Park Demonstration Project 2GW Wind Power and Supporting Energy Storage Project	119,408,265.47	—	119,408,265.47	25,107,242.67	—	25,107,242.67
TBEA Zhangjiakou Industrial Park	77,464,468.10	—	77,464,468.10	76,180,935.03	—	76,180,935.03

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From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. Construction in progress (continued)

14.1 Construction in progress (continued)

(1) Breakdown of construction in progress (continued)

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
A Technical Improvement Project to Enhance Product Quality Stability in Polysilicon Production Systems	46,948,664.31	—	46,948,664.31	37,758,051.98	—	37,758,051.98
TBEA Fuping New Energy Equipment Manufacturing Industrial Project	45,267,254.38	—	45,267,254.38	29,569,795.16	—	29,569,795.16
New Adsorption Column and Ancillary System Renovation Project	44,086,250.82	—	44,086,250.82	87,597,177.30	—	87,597,177.30
Technical Renovation Project for Wastewater Reuse in Auxiliary Workshops	42,522,480.54	—	42,522,480.54	28,921,919.68	—	28,921,919.68
Guangxi Nanning Xingning Kunlun Tanle 50MW Wind Power Project	—	—	—	234,881,144.86	—	234,881,144.86
TBEA Xi'an Science and Technology Industrial Park Phase III Project	—	—	—	240,837,414.19	—	240,837,414.19
Jiangxi Suichuan Jiaoziding Distributed Wind Power Project	—	—	—	249,815,375.59	—	249,815,375.59
Other projects	372,720,512.32	—	372,720,512.32	293,179,112.26	—	293,179,112.26
Total	5,997,137,683.95	—	5,997,137,683.95	5,016,699,950.59	—	5,016,699,950.59

14.2 Project materials

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Special materials	15,510,165.57	—	15,510,165.57	107,757,604.52	—	107,757,604.52
Total	15,510,165.57	—	15,510,165.57	107,757,604.52	—	107,757,604.52



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. Right-of-use assets

Items	Land use right	Machinery and equipment	Others	Total
I. Original book value				
1. Opening balance	378,755,167.40	3,980,880.89	5,382,256.15	388,118,304.44
2. Increase in current period	74,115,522.17	—	—	74,115,522.17
(1) Lease	74,115,522.17	—	—	74,115,522.17
(2) Translation of financial statements in foreign currency	—	—	—	—
3. Decrease in current period	—	—	—	—
(1) Disposal	—	—	—	—
(2) Others	—	—	—	—
(3) Decrease in business merger	—	—	—	—
4. Closing balance	452,870,689.57	3,980,880.89	5,382,256.15	462,233,826.61
II. Accumulated depreciation				
1. Opening balance	58,144,154.43	165,727.62	3,574,188.87	61,884,070.92
2. Increase in current period	11,257,742.78	99,094.86	1,000,531.36	12,357,369.00
(1) Accrual	11,257,742.78	99,094.86	1,000,531.36	12,357,369.00
(2) Translation of financial statements in foreign currency	—	—	—	—
3. Decrease in current period	—	—	—	—
(1) Decrease in business merger	—	—	—	—
(2) Others	—	—	—	—
(3) Disposal	—	—	—	—
4. Closing balance	69,401,897.21	264,822.48	4,574,720.23	74,241,439.92
III. Provision for impairment				
1. Opening balance	16,422,041.80	—	—	16,422,041.80
2. Increase in current period	—	—	—	—
3. Decrease in current period	—	—	—	—
4. Closing balance	16,422,041.80	—	—	16,422,041.80
IV. Carrying amount				
1. Carrying amount at the end of the period	367,046,750.56	3,716,058.41	807,535.92	371,570,344.89
2. Carrying amount at the beginning of the period	304,188,971.17	3,815,153.27	1,808,067.28	309,812,191.72

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. Intangible assets

(1) Breakdown of intangible assets

Items	Land use rights	Proprietary technology	Software	Mining rights	Total
I. Original book value					
1. Opening balance	1,605,502,415.68	173,338,242.54	201,523,647.87	17,754,108.38	1,998,118,414.47
2. Increase in current period	53,293,197.32	—	5,378,683.15	2,471,70	61,143,580.47
(1) Acquisition	53,293,197.32	—	5,378,683.15	2,471,70	61,143,580.47
(2) Increase in scope of consolidation	—	—	—	—	—
(3) Transfer from construction in progress	—	—	—	—	—
3. Decrease in current period	—	—	—	—	—
(1) Disposal	—	—	—	—	—
(2) Decrease in scope of consolidation	—	—	—	—	—
4. Closing balance	1,658,795,613.00	173,338,242.54	206,902,331.02	20,225,808.38	2,059,261,994.94
II. Accumulated amortisation					
1. Opening balance	261,551,857.89	142,980,120.85	96,158,263.53	17,754,108.38	518,444,350.65
2. Increase in current period	20,512,179.44	3,472,424.63	22,349,211.00	30,896.25	46,364,711.32
(1) Accrual	20,512,179.44	3,472,424.63	22,349,211.00	30,896.25	46,364,711.32
(2) Increase in scope of consolidation	—	—	—	—	—
3. Decrease in current period	—	—	12,436,534.62	—	12,436,534.62
(1) Disposal	—	—	12,436,534.62	—	12,436,534.62
(2) Decrease in scope of consolidation	—	—	—	—	—
4. Closing balance	282,064,037.33	146,452,545.48	106,070,939.91	17,785,004.63	552,372,527.35
III. Provision for impairment					
1. Opening balance	15,711,654.87	7,879,223.01	3,725,291.00	—	27,316,168.88
2. Increase in current period	—	—	—	—	—
(1) Accrual	—	—	—	—	—
3. Decrease in current period	—	—	—	—	—
(1) Disposal	—	—	—	—	—
4. Closing balance	15,711,654.87	7,879,223.01	3,725,291.00	—	27,316,168.88
IV. Carrying amount					
1. Carrying amount at the end of the period	1,361,019,920.80	19,006,474.05	97,106,100.11	2,440,803.75	1,479,573,298.71
2. Carrying amount at the beginning of the period	1,328,238,902.92	22,478,898.68	101,640,093.34	—	1,452,357,894.94



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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. Long-term deferred expenses

Item	Opening balance	Increase in current period	Amortization in current period	Closing balance
Long-term right of delivery	32,900,747.35	13,074,180.56	13,114,032.25	32,860,895.66
Total	32,900,747.35	13,074,180.56	13,114,032.25	32,860,895.66

18. Deferred income tax assets and deferred income tax liabilities

(1) Deferred income tax assets not offset

Items	Closing balance	
	Deductible temporary differences	Deferred income tax assets
Provision for impairment of assets	5,733,486,054.75	380,873,991.25
Deferred income	211,045,448.35	25,307,913.12
Provision for retention money	226,168,581.18	33,439,203.43
Provision for other expenses	60,399,591.01	9,045,390.72
Unrealized profits of intra-group transactions	2,371,457,556.27	355,718,633.44
Deductible losses	3,807,158,859.89	571,073,828.99
Changes in fair value of investments in other equity instruments included in other comprehensive income	7,066,041.44	353,302.07
Others	57,457,329.57	9,231,298.15
Total	12,474,239,462.46	1,385,043,561.17

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From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

18. Deferred income tax assets and deferred income tax liabilities (continued)

(1) Deferred income tax assets not offset (continued)

Items	Opening balance	
	Deductible temporary differences	Deferred income tax assets
Provision for impairment of assets	2,535,113,467.72	377,614,184.77
Deferred income	158,814,432.32	24,003,990.88
Provision for retention money	213,929,764.00	32,089,464.60
Provision for other expenses	232,891,811.38	34,877,925.34
Unrealized profits of intra-group transactions	1,982,122,559.15	298,892,764.91
Deductible losses	3,807,158,859.89	571,073,828.99
Others	28,335,379.71	4,786,800.42
Total	8,958,366,274.17	1,343,338,959.91

(2) Deferred income tax liabilities not offset

Items	Closing balance	
	Taxable temporary differences	Deferred income tax liabilities
Accelerated depreciation of fixed assets	2,550,030,543.37	460,176,018.50
Others	3,815,153.27	572,272.99
Total	2,553,845,696.64	460,748,291.49

Items	Opening balance	
	Taxable temporary differences	Deferred income tax liabilities
Accelerated depreciation of fixed assets	2,551,504,388.83	460,397,095.32
Others	3,815,153.27	572,272.99
Total	2,555,319,542.10	460,969,368.31



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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

19. Other non-current assets

Items	Book balance	Closing balance Provision for impairment	Carrying amount
Prepayments for long-term assets	701,708,407.25	—	701,708,407.25
Amount of value-added tax credits that are expected to be deducted for more than one year	1,441,322,521.13	—	1,441,322,521.13
Capacity deposit	452,704,043.20	—	452,704,043.20
Large certificates of deposit for more than one year	315,025,194.51	—	315,025,194.51
Total	2,910,760,166.09	—	2,910,760,166.09

Items	Book balance	Opening balance Provision for impairment	Carrying amount
Prepayments for long-term assets	783,987,525.24	—	783,987,525.24
Amount of value-added tax credits that are expected to be deducted for more than one year	1,363,467,842.41	—	1,363,467,842.41
Capacity deposit	429,931,943.20	—	429,931,943.20
Large certificates of deposit for more than one year	212,310,138.91	—	212,310,138.91
Total	2,789,697,449.76	—	2,789,697,449.76

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From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

20. Short-term borrowings

(1) Short-term borrowings by category

Category	Closing balance	Opening balance
Credit loans	2,328,938,716.16	30,021,083.33
Factoring loans	—	1,250,000.00
Bank acceptance notes discounted but not derecognized	2,609,024.00	579,154,009.87
Total	2,331,547,740.16	610,425,093.20

(2) Outstanding overdue short-term borrowings in the Reporting Period: Nil.

21. Financial liabilities held for trading

Items	Closing balance	Opening balance
Financial liabilities held for trading	4,335,096.35	47,711,848.71
Including: Derivative financial liabilities	4,335,096.35	47,711,848.71
Total	4,335,096.35	47,711,848.71

Note: Derivative financial liabilities represent the amount of unsettled forward settlement and sale of foreign exchange held by the Company at the end of the period and premiums of industrial silicon options business.

22. Notes payable

Category	Closing balance	Opening balance
Bank acceptance notes	5,071,076,516.18	7,495,802,932.28
Trade acceptance notes	171,887,652.54	74,100,581.03
Total	5,242,964,168.72	7,569,903,513.31



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V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

23. Accounts payable

(1) Accounts payable by aging based on recording dates

Aging	Closing balance	Opening balance
Within 1 year (inclusive)	5,254,564,243.83	6,133,133,993.84
1 year to 2 years (inclusive)	1,995,850,092.79	2,057,323,865.35
2 years to 3 years (inclusive)	1,704,293,865.07	1,729,331,811.20
Over 3 years	1,271,912,986.56	950,659,688.82
Total	10,226,621,188.25	10,870,449,359.21

(2) Significant accounts payable with aging of over 1 year

Name of entity	Closing balance	Reason for non-repayment or non-carry-forward
Hualu Engineering & Technology Co., Ltd. (華陸工程科技有限責任公司)	165,629,129.40	Payments for project, not yet settled
Shenyang Yuanda Compressor Co., Ltd. (瀋陽遠大壓縮機有限公司)	114,817,833.61	Payments for equipment, not yet settled
Windey Energy Technology Group Co., Ltd. (運達能源科技集團股份有限公司)	273,190,463.99	Payments for material, not yet settled
Sany Heavy Energy Equipment Co., Ltd. (三一重能股份有限公司)	189,832,200.02	Payments for material, not yet settled
Envision Energy Co., Ltd. (遠景能源有限公司)	127,551,947.09	Payments for material, not yet settled
Total	871,021,574.11	—

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
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V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. Contract liabilities

Items	Closing balance	Opening balance
Sales revenue received in advance	1,750,902,789.47	1,344,808,117.32
Project payments received in advance	596,927,092.99	320,299,386.59
Settled payments for unfinished projects	209,293,324.53	499,577,027.25
Total	2,557,123,206.99	2,164,684,531.16

25. Staff remuneration payables

(1) Staff remuneration payables by category

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
Short-term compensation	786,162,058.13	906,445,145.02	984,879,292.02	707,727,911.13
Post-employment benefits — defined contribution plans	6,689,563.89	104,333,448.09	103,406,553.56	7,616,458.42
Termination benefits	—	6,696,341.67	6,696,341.67	—
Total	792,851,622.02	1,017,474,934.78	1,094,982,187.25	715,344,369.55



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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

25. Staff remuneration payables (continued)

(2) Short-term compensation

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
Salaries, bonuses, allowances and subsidies	706,983,358.95	749,330,315.43	825,103,069.28	631,210,605.10
Employee benefits	—	11,772,984.29	11,772,984.29	—
Social insurance	3,637,302.38	59,138,901.03	59,182,269.18	3,593,934.23
Including: Medical insurance	3,425,037.21	53,053,093.79	53,071,928.53	3,406,202.47
Work-related injury insurance	208,368.19	6,047,043.44	6,071,728.69	183,682.94
Maternity insurance	3,896.98	38,763.80	38,611.96	4,048.82
Housing provident funds	4,169,889.06	65,497,213.09	64,868,989.48	4,798,112.67
Labor union fees and employee education fees	71,371,507.74	20,705,731.18	23,951,979.79	68,125,259.13
Short-term paid leaves	—	—	—	—
Short-term profit distribution plans	—	—	—	—
Others	—	—	—	—
Total	786,162,058.13	906,445,145.02	984,879,292.02	707,727,911.13

(3) Defined contribution plans

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
Basic pension	6,426,208.55	100,817,647.18	99,933,984.02	7,309,871.71
Unemployment insurance	263,355.34	3,515,800.91	3,472,569.54	306,586.71
Total	6,689,563.89	104,333,448.09	103,406,553.56	7,616,458.42

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

26. Taxes payable

Items	Closing balance	Opening balance
Enterprise income tax	65,957,956.68	246,536,650.73
Value-added tax	234,038,725.40	145,149,509.03
Individual income tax	4,344,596.31	14,507,706.23
Urban maintenance and construction tax	7,208,055.30	7,236,789.01
Stamp duty	9,593,436.86	5,554,309.62
Real estate tax	1,449,555.67	1,411,056.17
Educational surcharge	3,120,485.36	3,129,483.73
Local educational surcharge	4,211,150.83	2,215,422.29
Land use tax	1,248,310.99	1,216,017.48
Resource tax	835,273.82	764,084.93
Foundation for water works	—	331,502.33
Environmental protection tax	—	137,273.67
Others	306,582.77	849,105.00
Total	332,314,129.99	429,038,910.22

27. Other payables

Items	Closing balance	Opening balance
Interests payable	—	—
Dividends payable	—	—
Other payables	520,856,952.92	440,617,877.53
Total	520,856,952.92	440,617,877.53

27.1 Interests payable

Nil.

27.2 Dividends payable

Nil.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

27. Other payables (continued)

27.3 Other payables

(1) Other payables by nature

Nature	Closing balance	Opening balance
Margin and deposits payable	118,616,188.90	127,291,662.63
Fees payable	79,155,587.26	105,236,696.53
Advances payable	87,646,118.04	114,249,935.89
Due to related parties	191,359,468.60	84,127,484.14
Other payables	44,079,590.12	9,712,098.34
Total	520,856,952.92	440,617,877.53

(2) Significant other payables with aging of over 1 year

Nil.

28. Non-current liabilities due within one year

Items	Closing balance	Opening balance
Long-term borrowings due within one year	3,379,493,669.55	2,498,765,192.71
Lease liabilities due within one year	7,489,918.55	8,451,038.64
Total	3,386,983,588.10	2,507,216,231.35

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

29. Other current liabilities

Items	Closing balance	Opening balance
Sales tax to be carried forward	133,063,506.89	227,407,355.26
Notes receivable not derecognized	19,771,118.53	31,185,603.50
Total	152,834,625.42	258,592,958.76

30. Long-term borrowings

Category	Closing balance	Opening balance
Credit loans	5,698,264,802.41	4,394,368,799.09
Pledged borrowings	596,528,288.03	3,718,410,430.11
Mortgage borrowings	2,967,200,000.00	3,200,150,000.00
Secured borrowings	3,532,997,955.63	286,000,000.00
Mortgage and pledged loans	6,879,231,101.82	7,474,039,725.71
Factoring loans	11,520,451.26	—
Total	19,685,742,599.15	19,072,968,954.91

31. Lease liabilities

Items	Closing balance	Opening balance
Lease payments	554,721,578.56	422,233,008.05
Unrecognized financing cost	-189,657,775.45	-158,389,347.19
Reclassification to non-current liabilities due within one year	-7,489,918.55	-8,451,038.64
Total	357,573,884.56	255,392,622.22



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

32. Accrued liabilities

Items	Closing balance	Opening balance
Product quality assurance	32,043,599.72	220,451,714.47
Expected refund of tariff subsidy	274,271,684.95	32,043,599.72
Pending lawsuits	3,004,134.32	7,035,168.08
Onerous contract to be performed	5,966,867.98	1,156,517.27
Total	315,286,286.97	260,686,999.54

33. Deferred income

(1) Deferred income by category

Items	Opening balance	Increase in current period	Decrease in current period	Other changes	Closing balance
Government grants (related to assets)	458,024,322.63	46,700,400.00	23,589,420.50	-10,275,827.69	470,859,474.44
Internal unrealized gains and losses in downstream transactions	103,466,906.64	—	103,466,906.64	—	—
Total	561,491,229.27	46,700,400.00	127,056,327.14	-10,275,827.69	470,859,474.44

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

33. Deferred income (continued)

(2) Items of government grants

Items of government grants	Opening balance	New grants in current period	Amount included in other income in current period	Other changes	Closing balance	Related to assets/Related to income
2018 Industrial Transformation and Upgrading Fund – Intranet Upgrading and Integrated Application of High-purity Silicon-based New Materials Based on the Industrial Internet Platform	33,928,571.43	—	1,785,714.29	—	32,142,857.14	Related to assets
TB-eCloud Smart Power Energy Management Integrated Service Platform Construction Project	—	22,800,000.00	—	—	22,800,000.00	Related to assets
Project Funds for Key Technology R&D and Industrial Chain Integration Services in the PV Materials Industry	18,410,000.00	—	—	—	18,410,000.00	Related to assets
Upgrading of Cold Hydrogenation Technology for 360,000-ton-per-annum Recycling of Polysilicon Byproduct Silicon Oxide	21,428,571.43	—	3,571,428.57	—	17,857,142.86	Related to assets
Financial Allocation received from the "Industrial Innovation Research Institute of the Autonomous Region" of the Department of Industry and Information Technology of Xinjiang Uyghur Autonomous Region	15,481,471.69	—	—	—	15,481,471.69	Related to assets
Construction of Enterprise Network-based Upgrading Promotion Platform for the Silicon-based Materials Industry	13,789,702.39	—	603,928.57	—	13,185,773.82	Related to assets
Construction of Public Service Platform for New Materials Testing and Evaluation	12,436,428.50	—	540,714.29	—	11,895,714.21	Related to assets
Subsidies for the Demonstration Project of Electronic-grade High-purity Polysilicon Technology Upgrading	10,392,857.12	—	1,039,285.71	—	9,353,571.41	Related to assets
First Batch of Central Infrastructure Investment in 2024 for the Special Project of Energy Conservation and Carbon Reduction of the Ecology Bureau	9,000,000.00	—	—	—	9,000,000.00	Related to assets
Polysilicon cold hydrogenation synthesis gas heat recovery and slurry process energy-saving optimization project	8,562,500.00	—	375,000.00	—	8,187,500.00	Related to assets
Funds for Construction of TB-eCloud Industrial Internet Platform	8,850,220.96	—	942,217.01	—	7,908,003.95	Related to assets



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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

33. Deferred income (continued)

(2) Items of government grants (continued)

Items of government grants	Opening balance	New grants in current period	Amount included in other income in current period	Other changes	Closing balance	Related to assets/Related to income
2018 Ecological Civilization Construction Projects Funded by Central Government's Budgets — 10,000-ton Polysilicon CDI System Energy Efficiency Improvement Support Funds for 1,500-ton-per-annum Polysilicon Expansion	8,258,928.58	—	446,428.57	—	7,812,500.01	Related to assets
Subsidies for Green Manufacturing System Integration Project in 2016	8,213,333.32	—	777,777.78	—	7,435,555.54	Related to assets
High-purity polysilicon intelligent manufacturing innovation mode application project	7,633,928.58	—	482,142.86	—	7,151,785.72	Related to assets
Key projects for resource conservation and recycling in 2017	6,565,934.08	—	357,142.86	—	6,208,791.22	Related to assets
Urumqi Air Pollution Control Project	6,107,142.87	—	321,428.57	—	5,785,714.30	Related to assets
2016 Provincial industrial transformation and upgrading special fund project and high-end equipment manufacturing special fund project	6,378,571.38	—	637,857.14	—	5,740,714.24	Related to assets
Central financial industrial transformation and upgrading funds	5,916,666.51	—	250,000.02	—	5,666,666.49	Related to assets
Special Funds for the Central Infrastructure Investment Budget Received by Urumqi Ganquanpu Economic and Technological Development Zone Agent Branch	5,833,333.35	—	357,142.86	—	5,476,190.49	Related to assets
Project Funds for "Selecting the Best Candidates via Open Competition Mechanism" Received from the Department of Industry and Information Technology of Xinjiang Uyghur Autonomous Region	5,616,071.42	—	303,571.43	—	5,312,499.99	Related to assets
Xinte Energy's Open Innovation Platform Upgrade Project and Silicon-based New Material Industry Incubator	5,000,000.00	—	—	—	5,000,000.00	Related to assets
Silicon Linkage Support of Science and Technology Department and Local Government-Artificial Intelligence Technology for Silicon-based New Material Manufacturing	5,107,142.86	—	214,285.71	—	4,892,857.15	Related to assets
Others	5,700,000.00	—	—	-3,263,104.42	2,436,895.58	Related to assets
	229,412,946.16	23,900,400.00	10,583,354.26	-7,012,723.27	235,717,268.63	Related to assets
Total	458,024,322.63	46,700,400.00	23,589,420.50	-10,275,827.69	470,859,474.44	—

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

34. Other non-current liabilities

Items	Closing balance	Opening balance
Contract liabilities (non-current portion)	82,082,856.29	83,859,832.43
Sales tax to be carried forward (non-current portion)	0.00	0.00
Total	82,082,856.29	83,859,832.43

35. Share capital

Name of shareholder	Opening balance	Changes in current period (+, -)					Closing balance
		Issue of new shares	Bonus issue	Share capital converted from reserves	Others	Sub-total	
TBEA Co., Ltd.	921,286,161.00	0.00	0.00	0.00	29,940,000.00	29,940,000.00	951,226,161.00
Xinjiang Tebian (Group) Co., Ltd.	83,863,108.00	0.00	0.00	0.00	0.00	0.00	83,863,108.00
Xinjiang Far Excellence Enterprise Management Consulting Co., Ltd.	2,896,800.00	0.00	0.00	0.00	0.00	0.00	2,896,800.00
Liu Bingcheng	774,732.00	0.00	0.00	0.00	0.00	0.00	774,732.00
Jia Boyun	448,560.00	0.00	0.00	0.00	0.00	0.00	448,560.00
Jinglong Technology Holdings Limited	14,619,883.00	0.00	0.00	0.00	0.00	0.00	14,619,883.00
TBEA (HONGKONG) CO., LIMITED	1,223,200.00	0.00	0.00	0.00	0.00	0.00	1,223,200.00
Public shares	374,947,556.00	0.00	0.00	0.00	0.00	0.00	374,947,556.00
Employee share ownership platform	29,940,000.00	0.00	0.00	0.00	-29,940,000.00	-29,940,000.00	0.00
Total shares	1,430,000,000.00	0.00	0.00	0.00	0.00	0.00	1,430,000,000.00

Note: On 20 April 2025, the Company convened a Board meeting which considered and approved the proposal for termination of the Company's 2022 Employee Share Ownership Scheme. TBEA, the Controlling Shareholder of the Company, acquired 29.94 million Domestic Shares of the Company held by the employee share ownership platform for a total of RMB417.3636 million.

36. Capital reserve

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
Share premium	8,977,115,534.25	—	—	8,977,115,534.25
Others capital reserve	856,833,685.91	—	—	856,833,685.91
Total	9,833,949,220.16	—	—	9,833,949,220.16



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

37. Other comprehensive income

Items	Opening balance	Amount before tax in current period	Amount recognized in current period			Closing balance
			Less: income tax expenses	After-tax amount attributable to the parent company	After-tax amount attributable to non-controlling interest	
I. Other comprehensive income not reclassified to profit or loss	-133,408,841.50	29,304,175.97	—	29,304,175.97	—	-104,104,665.53
Changes in fair value of investments in other equity instruments	-133,408,841.50	29,304,175.97	—	29,304,175.97	—	-104,104,665.53
II. Other comprehensive income to be reclassified to profit or loss	-1,928,441.52	1,988,800.72	—	1,978,748.53	10,052.19	50,307.01
Exchange differences on translation of financial statements in foreign currency	-1,928,441.52	-1,681,356.03	—	-1,672,857.78	-8,498.25	-3,601,299.30
Reserve for cash flow hedging	-7,709,813.40	3,670,156.75	—	3,651,606.31	18,550.44	-4,058,207.09
Total other comprehensive income	-135,337,283.02	31,292,976.69	—	31,282,924.50	10,052.19	-104,054,358.52

38. Special reserve

Item	Closing balance	Opening balance
Safe production expenses	67,106,960.43	41,180,844.93
Total	67,106,960.43	41,180,844.93

39. Surplus reserve

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
Statutory surplus reserve	981,955,892.67	—	—	981,955,892.67
Total	981,955,892.67	—	—	981,955,892.67

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

40. Undistributed profit

Items	Current period	Previous period
Balance at the end of the previous period	20,641,591,615.72	24,546,471,052.21
Add: Adjustment of undistributed profit at the beginning of the period	—	—
Balance at the beginning of the current period	20,641,591,615.72	24,546,471,052.21
Add: Net profit attributable to owners of the parent company for the period	-256,290,928.26	-3,904,879,436.49
Less: Appropriation to statutory surplus reserve	—	—
Appropriation to discretionary surplus reserve	—	—
Appropriation to general risk reserve	—	—
Payable dividends for ordinary shares	—	—
Dividends of ordinary shares transferred to share capital	—	—
Balance at the end of the current period	20,385,300,687.46	20,641,591,615.72

41. Operating revenue, operating cost

(1) Operating revenue, operating cost

Items	Amount recognized in current period	
	Revenue	Cost
Main businesses	7,145,709,430.05	6,517,225,631.42
Other businesses	165,121,944.62	125,088,900.37
Total	7,310,831,374.67	6,642,314,531.79

Items	Amount recognized in previous period	
	Revenue	Cost
Main businesses	11,457,217,296.38	10,226,374,043.67
Other businesses	285,886,461.03	223,653,873.96
Total	11,743,103,757.41	10,450,027,917.63



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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

41. Operating revenue, operating cost (continued)

(2) By business segment

Items	Amount recognized in current period	
	Revenue from main businesses	Cost of main businesses
Polysilicon and related products	978,723,192.98	2,011,851,661.15
Construction of wind power and PV power plants	3,283,707,899.37	2,599,455,293.54
Operation of wind power and PV power plants	1,301,616,601.04	561,597,020.92
Sales of electrical equipment	1,430,254,687.85	1,204,501,058.54
Others	151,407,048.81	139,820,597.27
Total	7,145,709,430.05	6,517,225,631.42

Items	Amount recognized in previous period	
	Revenue from main businesses	Cost of main businesses
Polysilicon and related products	5,867,106,376.42	6,323,077,078.71
Construction of wind power and PV power plants	3,206,643,920.42	2,586,288,471.74
Operation of wind power and PV power plants	1,241,727,601.44	508,488,271.27
Sales of electrical equipment	1,068,636,355.94	761,743,809.71
Others	73,103,042.16	46,776,412.24
Total	11,457,217,296.38	10,226,374,043.67

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

42. Taxes and surcharges

Items	Amount recognized in current period	Amount recognized in previous period
Urban maintenance and construction tax	27,108,524.27	10,658,826.97
Real estate tax	29,000,668.33	26,697,164.52
Land use tax	24,049,122.12	21,967,614.76
Stamp duty	12,493,764.87	16,455,719.64
Educational surcharge	11,880,742.46	4,769,142.84
Local educational surcharge	9,922,222.35	3,179,970.26
Foundation for water works	682,648.69	611,721.17
Environmental protection tax	293,625.79	174,528.14
Water resources tax	1,516,739.20	—
Resource tax	901,851.90	—
Others	918,152.98	532,799.12
Total	118,768,062.96	85,047,487.42

43. Selling expenses

Items	Amount recognized in current period	Amount recognized in previous period
Employee compensation	100,704,215.30	86,026,750.94
Quality cost	—	58,691,233.50
Early project fees	43,940,495.01	49,235,050.11
Business entertainment	31,957,529.11	23,874,248.65
Labor service fees	34,013,556.63	21,458,332.07
Advisory fees	13,841,358.54	11,371,719.34
Travel expenses	20,627,726.93	13,049,147.76
Lease payments	5,276,392.25	4,838,069.59
Tender fees	2,035,125.57	1,838,660.54
Vehicle fees	39,740.84	1,156,496.38
Advertising and promotion fees and conference fees	6,669,076.69	3,931,917.79
Others	6,710,519.39	7,507,303.04
Total	265,815,736.26	282,978,929.71



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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

44. Administrative expenses

Items	Amount recognized in current period	Amount recognized in previous period
Employee compensation	190,316,319.37	226,760,311.60
Depreciation cost	55,673,987.84	71,375,294.61
Labor service and greening fees	30,946,685.75	22,962,186.30
Advisory fees	12,505,826.90	23,321,844.15
Maintenance fees	3,575,422.05	1,551,950.02
Advertising and promotion fees	10,920,565.15	8,457,839.45
Utilities	10,765,296.74	16,510,531.63
Travel expenses	5,617,268.76	6,976,966.15
Business entertainment	2,524,132.14	5,900,004.96
Share-based payment	—	8,865,110.65
Office expenses	2,750,623.43	2,511,198.53
Lease payments	2,276,464.99	4,509,371.47
Intermediary fees	-1,427,068.73	2,965,495.96
Amortization of intangible assets	13,054,112.01	16,730,051.73
Training expense	—	561,306.45
Others	16,669,256.54	32,082,592.11
Total	356,168,892.94	452,042,055.77

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From 1 January 2025 to 30 June 2025
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V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

45. R&D expenses

Items	Amount recognized in current period	Amount recognized in previous period
Direct inputs costs	27,704,599.48	43,294,852.12
Staff labor costs	90,073,992.50	105,952,411.34
Depreciation and amortization expenses	14,019,703.58	12,601,401.28
Other related costs	25,337,512.17	19,316,797.16
Total	157,135,807.73	181,165,461.90

46. Financial expenses

Items	Amount recognized in current period	Amount recognized in previous period
Interest expenses	351,174,534.29	359,010,352.37
Less: Interest income	69,184,158.34	95,038,817.76
Exchange loss (gain)	-15,566,989.44	2,029,806.08
Handling fees and others	14,272,095.62	14,438,735.29
Total	280,695,482.13	280,440,075.98

47. Other revenue

Sources of other revenue	Amount recognized in current period	Amount recognized in previous period
Government grants	53,625,066.91	43,794,471.07
VAT credit and reduction	2,622,664.00	27,201,543.49
Refund of handling fees for withholding individual income tax	2,525,841.70	4,463,987.95
Total	58,773,572.61	75,460,002.51



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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

47. Other revenue (continued)

(1) Breakdown of government grants

Items	Amount recognized in current period	Amount recognized in previous period	Source and basis	Related to assets/income
Amortization of deferred income	23,968,458.46	24,251,673.54	—	—
Subsidies for high-skilled talent training bases at the national level in 2024	7,100,000.00	—	Announcement on the Review Results of the 2024 Construction Projects for the of High-skilled Talent Training Bases and Skill Master Workshops at the Level of Autonomous Region	Related to income
Subsidies for the renovation and construction projects of government-subsidized rental housing	1,000,000.00	5,800,000.00	Notice on Issuing the Implementation Plan for Accelerating the Development of Government-subsidized Rental Housing in Urumqi (Wu Zheng Ban Gui [2022] No. 3)	Related to income
Funds received from the Xinjiang Uygur Autonomous Region Market Supervision and Administration Bureau	266,000.00	—	Contract for Patent Transfer Project in the Autonomous Region	Related to income
Central foreign trade funds for 2025	1,398,824.00	—	—	Related to income
High-tech enterprise subsidy	2,450,000.00	—	—	Related to income
Subsidy funds for enterprises above designated size to absorb employment in 2025	59,000.00	—	—	Related to income
Disbursement of funds for Hongshan science and technology innovation talent project	110,000.00	—	—	Related to income
Payment for the social security benefits received from the Human Resources and Social Security Bureau	8,739,561.70	540,710.17	—	Related to income
Funds for specialized, sophisticated, distinctive and innovative enterprise cultivation project in 2025	400,000.00	—	Notice on the Publication of the List of Newly Recognized and Reviewed 2021 Specialized, Sophisticated, Distinctive and Innovative SMEs in the Autonomous Region for 2024	Related to income

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

47. Other revenue (continued)

(1) Breakdown of government grants (continued)

Items	Amount recognized in current period	Amount recognized in previous period	Source and basis	Related to assets/income
Incentive funds allocated by the Industry and Information Technology and Science and Technology Bureau of Tumed Right Banner	161,000.00	—	—	Related to income
Subsidy policy for stabilizing industrial growth in the fourth quarter of 2024	3,493,000.00	—	Provincial Policy Application for Production Stabilization and Expansion in 2024	Related to income
Subsidy rewards for post-research and development expenses of high-tech enterprises in Xinjiang Uygur Autonomous Region in 2024	1,000,000.00	—	List of enterprises enjoying post-research and development expense subsidy rewards as high-tech enterprises in Xinjiang Uygur Autonomous Region in 2024	Related to income
The third batch of policy awards for promoting industrial stability and expansion in Xi'an in 2023	—	3,330,000.00	Announcement of the List of Rewarding Enterprises for Stable Production and Increased Production in the Equipment Industry of the Province in 2023	Related to income
2023 Xi'an Municipal Foreign Trade and Economic Development Special Fund	—	1,976,000.00	Municipal Special Fund for Foreign Trade and Economic Development of Xi'an in 2023 (Foreign Trade Development Project)-Foreign Trade Freight Subsidy	Related to income
Talent introduction reward	—	1,073,500.00	The Issuance of the Action Plan for the Introduction of Doctoral and Master Talents in Key Industries of Baotou City (Bao Fu Fa [2022] No.18)	Related to income
Talent award of the Organization Department of Tumed Right Banner	—	1,000,000.00	—	Related to income
Policy fund for R&D and application demonstration of major common key technologies for high-quality development of silicon-based new material industry	—	720,000.00	Project (Topic) No. of the Contract of the Key R&D Plan of the Autonomous Region: 2023B01017	Related to income

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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

47. Other revenue (continued)

(1) Breakdown of government grants (continued)

Items	Amount recognized in current period	Amount recognized in previous period	Source and basis	Related to assets/income
Reward for Hazard Investigation from Economic Development Bureau of Xinjiang Zhundong Economic and Technological Development Zone Management Committee	—	520,000.00	—	Related to income
Funds for Patent Implementation Projects of the Xinjiang Uygur Autonomous Region Supervision and Administration Bureau	—	150,000.00	Notice on Issuing the "Administrative Measures for Patent Implementation Funds and Projects in the Xinjiang Uygur Autonomous Region" (Xin Cai Jian [2011] No. 167) Document	Related to income
A batch of rewards from the Safety Production Supervision Bureau of Xinjiang Zhundong Economic and Technological Development Zone Management Committee	—	80,000.00	List of Advanced Enterprises in Safety Production for 2023	Related to income
Participation Awards for 2024 Summer Emergency Rescue Team Competition	—	5,200.00	—	Related to income
Others	3,479,222.75	4,347,387.36	—	Related to income
Total	53,625,066.91	43,794,471.07		

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

48. Investment income

Items	Amount recognized in current period	Amount recognized in previous period
Income of long-term equity investments under equity method	271,246,455.86	10,264,927.39
Investment income from disposal of long-term equity investments	218,594,755.95	-4,618,930.41
Investment income from financial and derivative instruments	-66,723,898.48	-13,207,733.61
Gains from derecognition of financial assets measured at amortized cost	-917,696.09	—
Total	422,199,617.24	-7,561,736.63

49. Gain on changes in fair value

Items	Amount recognized in current period	Amount recognized in previous period
Financial assets held for trading	—	—
Derivative financial assets	—	—
Derivative financial liabilities	6,039,935.00	638,258.56
Total	6,039,935.00	638,258.56



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

50. Impairment loss of credit

Items	Amount recognized in current period	Amount recognized in previous period
Loss on bad debts of notes receivable	3,458,014.43	-7,735,305.61
Loss on bad debts of accounts receivable	-10,428,045.30	-42,391,617.93
Loss on bad debts of other receivables	14,997,770.52	1,381,940.70
Total	8,027,739.65	-48,744,982.84

51. Impairment loss of assets

Items	Amount recognized in current period	Amount recognized in previous period
Loss on stock depreciation	-101,406,080.02	-891,689,197.53
Loss on impairment of fixed assets	-961,343.02	—
Loss on impairment of contract assets	-149,977,911.87	-92,626,301.65
Loss on impairment of right-of-use assets	—	—
Loss on impairment of intangible assets	—	—
Total	-252,345,334.91	-984,315,499.18

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

52. Gains from disposal of assets

Items	Amount recognized in current period	Amount recognized in previous period	Amount included in non-recurring profit or loss of current period
Gains from disposal of non-current assets	13,959,000.24	-516,322.72	13,959,000.24
Including: Gains from disposal of non-current assets not classified as held for sale	13,959,000.24	-516,322.72	13,959,000.24
Including: Gains from disposal of fixed assets	13,959,000.24	-516,322.72	13,959,000.24
Gains from disposal of intangible assets	—	—	—
Total	13,959,000.24	-516,322.72	13,959,000.24

53. Non-operating revenue

Items	Amount recognized in current period	Amount recognized in previous period	Amount included in non-recurring profit or loss of current period
Gains from compensations and penalties	12,268,336.43	7,184,944.52	12,268,336.43
Others	6,906,121.14	7,353,459.35	6,906,121.14
Total	19,174,457.57	14,538,403.87	19,174,457.57



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From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

54. Non-operating expenses

Items	Amount recognized in current period	Amount recognized in previous period	Amount included in non-recurring profit or loss of current period
Payment of compensations and penalties	216,516.40	949,688.49	216,516.40
Losses on damage or retirement of non-current assets	172,940.51	—	172,940.51
Including: Loss on retirement of construction in progress	—	—	—
Loss on retirement of fixed assets	172,940.51	—	172,940.51
Payment of charitable donations	—	283,018.86	—
Inventory losses	—	—	—
Extraordinary loss	—	—	—
Others	594,632.72	879,404.97	594,632.72
Total	984,089.63	2,112,112.32	984,089.63

55. Income tax expenses

Items	Amount recognized in current period	Amount recognized in previous period
Current income tax expenses	106,033,657.03	244,612,665.82
Deferred income tax expenses	-33,898,232.42	-338,009,374.25
Total	72,135,424.61	-93,396,708.43

Notes to the Financial Statements

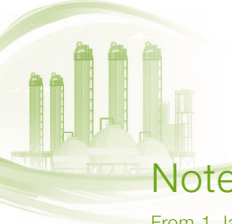
From 1 January 2025 to 30 June 2025
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V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

56. Items of the cash flow statement

(1) Supplementary information of the consolidated cash flow statement

Items	Amount recognized in current period	Amount recognized in corresponding period
1. Net profit reconciled to cash flows from operating activities:		
Net profit:	-307,357,665.98	-847,815,451.32
Add: Impairment loss of assets	252,345,334.91	984,315,499.18
Impairment loss of credit	-8,027,739.65	48,744,982.84
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	999,541,635.80	1,431,436,657.93
Amortization of right-of-use assets	12,357,369.00	6,794,195.63
Amortization of intangible assets	33,928,176.70	40,196,649.08
Amortization of long-term deferred expenses	13,114,032.25	7,719,005.27
Loss on disposal of fixed assets, intangible assets and other long-term assets (gain is represented by (-))	-13,959,000.24	-516,322.72
Loss on retirement of fixed assets (gain is represented by (-))	—	—
Gain or loss from changes in fair value (gain is represented by (-))	-6,039,935.00	-638,258.56
Financial expenses (income is represented by (-))	280,695,482.13	361,040,158.45
Investment income (income is represented by (-))	422,199,617.24	7,561,736.63
Decrease of deferred income tax assets (increase is represented by (-))	-41,704,601.26	-311,897,365.20
Increase of deferred income tax liabilities (decrease is represented by (-))	-221,076.82	-29,883,751.67
Decrease of inventories (increase is represented by (-))	297,553,980.43	-1,374,004,982.33
Decrease of operating receivables (increase is represented by (-))	2,292,542,439.82	1,806,604,180.24
Increase of operating payables (decrease is represented by (-))	-5,083,493,166.52	-1,354,498,010.96
Others	—	—
Net cash flow from operating activities	-856,525,117.19	775,158,922.49
2. Significant investment and financing activities not involving cash receipt and payment	—	—
Conversion of debt into capital	—	—
Convertible corporate bonds due within one year	—	—



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

56. Items of the cash flow statement (continued)

(1) Supplementary information of the consolidated cash flow statement (continued)

Items	Amount recognized in current period	Amount recognized in corresponding period
3. Changes of cash and cash equivalents:	—	—
Balance of cash at the end of the period	8,479,525,486.67	7,750,008,833.57
Less: Balance of cash at the beginning of the period	5,494,514,947.49	11,867,232,272.62
Add: Balance of cash equivalents at the end of the period	—	—
Less: Balance of cash equivalents at the beginning of the period	—	—
Net increase of cash and cash equivalents	2,985,010,539.18	-4,117,223,439.05

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

56. Items of the cash flow statement (continued)

(2) Cash and cash equivalents

Items	Closing balance	Opening balance
Cash	8,479,525,486.67	5,494,514,947.49
Including: Cash in hand	—	—
Bank deposits that are readily available for payment	8,479,525,486.67	5,494,514,947.49
Other monetary funds that are readily available for payment	—	—
Cash equivalents	—	—
Including: Debt investments due within three months	—	—
Balance of cash and cash equivalents at the end of the period	—	—
Including: Restricted cash and cash equivalents	3,477,336,614.27	6,168,441,893.83

57. Assets with restrictions in ownership or use rights

Items	Carrying amount at the end of the period	Carrying amount at the beginning of the period
Monetary capital	3,477,336,614.27	6,168,441,893.83
Notes receivable	133,481,851.96	223,244,129.62
Accounts receivable	3,091,794,296.62	2,574,888,422.08
Receivables financing	3,049,246,458.90	407,493,746.36
Inventories	—	1,416,771,511.94
Fixed assets	21,015,850,351.19	19,453,172,517.83
Construction in progress	1,549,486,790.02	2,219,097,076.60
Intangible assets	249,057,512.53	186,078,773.19
Other non-current assets	28,108,931.04	28,108,931.04
Total	32,594,362,806.53	32,677,297,002.49



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

57. Assets with restrictions in ownership or use rights (continued)

Note 1: Restricted monetary capital mainly represents security deposits for bank acceptance notes, security deposits for the letter of guarantee and others.

Note 2: Restricted notes receivable and receivables financing mainly represent bank acceptance notes pledged at the end of the period.

Note 3: Restricted accounts receivable mainly represent factoring of accounts receivable and the rights to tariff after the completion of wind power and PV power plants together with all revenue of such projects pledged for borrowings.

Note 4: Restricted inventories at the beginning of the period mainly represent assets intended for transfer, which were wind power and PV power plants pledged for borrowings. At the end of the period, the intention shifted from transfer to self-holding.

Note 5: Restricted fixed assets and intangible assets mainly represent assets pledged as collateral and security of borrowings.

Note 6: Restricted construction in progress mainly represent assets pledged for borrowings.

58. Foreign currency monetary items

Items	Foreign currency balance at 30 June 2025	Exchange rate	Balance translated to RMB at 30 June 2025
Bank deposits			
Including: USD	117,456,583.91	7.1586	840,824,701.61
EUR	13,121,338.11	8.4024	110,250,731.34
AUD	0.05	4.6817	0.23
Indian Rupee	364,621,182.73	0.0838	30,555,255.11
Pakistani Rupee	54,019,498.22	0.0253	1,366,693.30
Egyptian Pound	1,716,148.62	0.1442	247,468.63
HKD	729,621.39	0.912	665,414.71
Chilean Peso	4,619,433.00	0.0076	35,107.69
Bangladeshi Taka	3,073,719.08	0.0586	180,119.94
Turkish Lira	220,277.94	0.1797	39,583.95
Brazilian Real	5,740,763.87	1.3057	7,495,715.39
Philippine Peso	103,575,111.57	0.1271	13,164,396.68
Zambian Kwacha	171,848.22	0.3017	51,846.61
Other monetary funds			
Including: USD	3,279,326.39	7.1586	23,475,385.90
EUR	56,154.90	8.4024	471,835.93

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

58. Foreign currency monetary items (continued)

Items	Foreign currency balance at 30 June 2025	Exchange rate	Balance translated to RMB at 30 June 2025
Accounts receivable			
Including: USD	27,622,362.41	7.1586	197,737,443.55
Indian Rupee	16,090,499.45	0.0838	1,348,383.85
Pakistani Rupee	152,268,598.61	0.0253	3,852,395.54
EUR	11,837,194.50	8.4024	99,460,843.07
Brazilian Real	12,708,850.03	1.3057	16,593,945.48
Other receivables			
Including: USD	404,091.69	7.1586	2,892,730.77
EUR	206,112.00	8.4024	1,731,835.47
Pakistani Rupee	38,657,749.79	0.0253	978,041.07
Egyptian Pound	45,901.92	0.1442	6,619.06
Turkish Lira	67,497.03	0.1797	12,129.22
Zambian Kwacha	4,046,201.78	0.3017	1,220,739.08
Accounts payable			
Including: USD	3,284,152.18	7.1586	23,509,931.80
EUR	409,315.23	8.4024	3,439,230.29
HKD	149,868.46	0.912	136,680.04
Pakistani Rupee	15,292,480.68	0.0253	386,899.76
Chilean Peso	2,169,721.00	0.0076	16,489.88
Egyptian Pound	237,274.01	0.1442	34,214.91
Malaysian Ringgit	2,650.00	1.695	4,491.75
Brazilian Real	579,845.87	1.3057	757,104.75
Other payables			
Including: USD	800,779.39	7.1586	5,732,459.34
Pakistani Rupee	13,547,924.28	0.0253	342,762.48
Egyptian Pound	506,851.91	0.1442	73,088.05
Indian Rupee	286,043,398.14	0.0838	23,970,436.76
Brazilian Real	700.00	1.3057	913.99



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V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

59. Government grants

(1) Basic information of government grants

Category	Amount	Presentation item	Amount included in profit or loss of the period
Details set out in Note V. 33	46,700,400.00	Deferred income	23,589,420.50
Details set out in Note V. 47	30,035,646.41	Other income	30,035,646.41
Total	76,736,046.41	—	53,625,066.91

(2) Refund of government grants

Nil.

VI. CHANGES IN THE SCOPE OF CONSOLIDATION

1. Business merger involving enterprises under different control

Nil.

2. Business merger involving enterprises under common control

Nil.

3. Reverse takeover

Nil.

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VI. CHANGES IN THE SCOPE OF CONSOLIDATION (continued)

4. Disposal of subsidiaries

(1) Loss of control due to a single disposal of investments in subsidiaries

Name of subsidiary	Subsidiaries	Proportion of equity disposed of (%)	Way of equity disposal	Time of losing the control right	Basis for determination of time of losing the control right
Zibo Gaoguang New Energy Co., Ltd. (淄博高光新能源有限公司)	Third-level subsidiary	100	Equity transfer	January 2025	Actual loss of control over the subsidiary
Zibo Shuixing New Energy Co., Ltd. (淄博水星新能源有限公司)	Fourth-level subsidiary	100	Equity transfer	January 2025	Actual loss of control over the subsidiary
Zibo Muxing New Energy Co., Ltd. (淄博木星新能源有限公司)	Fourth-level subsidiary	100	Equity transfer	January 2025	Actual loss of control over the subsidiary
Zibo Jingxing New Energy Co., Ltd. (淄博金星新能源有限公司)	Fourth-level subsidiary	100	Equity transfer	January 2025	Actual loss of control over the subsidiary
Zibo Huoxing New Energy Co., Ltd. (淄博火星新能源有限公司)	Fourth-level subsidiary	100	Equity transfer	January 2025	Actual loss of control over the subsidiary
Shanxi Muguang Green Energy New Energy Co., Ltd. (山西沐光綠能新能源有限公司)	Second-level subsidiary	100	Equity transfer	January 2025	Actual loss of control over the subsidiary
Fenyang Yuhe New Energy Co., Ltd. (汾陽市峪河新能源有限公司)	Third-level subsidiary	100	Equity transfer	January 2025	Actual loss of control over the subsidiary
Urumqi Qixin Wind Power Co., Ltd. (烏魯木齊奇新風力發電有限公司)	Second-level subsidiary	100	Equity transfer	March 2025	Actual loss of control over the subsidiary
Turpan Chaojia Wind Power Co., Ltd. (吐魯番市超嘉風力發電有限公司)	Third-level subsidiary	100	Equity transfer	March 2025	Actual loss of control over the subsidiary
Yanqi Yante Wind Power Co., Ltd. (焉耆焉特風力發電有限公司)	Third-level subsidiary	100	Equity transfer	March 2025	Actual loss of control over the subsidiary
Yanqi Qixin Wind Power Co., Ltd. (焉耆奇新風力發電有限公司)	Third-level subsidiary	100	Equity transfer	March 2025	Actual loss of control over the subsidiary
Qiemo County Taxing Wind Power Co., Ltd. (且末縣塔興風力發電有限公司)	Third-level subsidiary	100	Equity transfer	March 2025	Actual loss of control over the subsidiary
Qiemo County Yingjie Wind Power Co., Ltd. (且末縣英捷風力發電有限公司)	Third-level subsidiary	100	Equity transfer	March 2025	Actual loss of control over the subsidiary
Guizhou Zhaoxu New Energy Technology Co., Ltd. (貴州朝旭新能源科技有限公司)	Third-level subsidiary	100	Equity transfer	April 2025	Actual loss of control over the subsidiary

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VI. CHANGES IN THE SCOPE OF CONSOLIDATION (continued)

4. Disposal of subsidiaries (continued)

(1) Loss of control due to a single disposal of investments in subsidiaries (continued)

Name of subsidiary	Subsidiaries	Proportion of equity disposed of (%)	Way of equity disposal	Time of losing the control right	Basis for determination of time of losing the control right
Pingtang County Zhaoxu Wind Power Co., Ltd. (平塘縣朝旭風力發電有限公司)	Fourth-level subsidiary	100	Equity transfer	April 2025	Actual loss of control over the subsidiary
Wuwei Wangshu New Energy Technology Co., Ltd. (武威望舒新能源科技有限公司)	Fourth-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Hailun City Lusheng New Energy Technology Co., Ltd. (海倫市綠晟新能源科技有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Jiujiang Huiyi New Energy Technology Co., Ltd. (九江慧熠新能源科技有限公司)	Second-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Laohekou Guangte Risheng New Energy Co., Ltd. (老河口市光特日盛新能源有限責任公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Xi'an Leming New Energy Co., Ltd. (西安樂鳴新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Heyuan Guangrui Power Co., Ltd. (河源市光瑞發電有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Luohe Xingneng New Energy Co., Ltd. (漯河市興能新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Xi'an Fuyang New Energy Co., Ltd. (西安賦陽新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Hunan Teyijia New Energy Co., Ltd. (湖南特益家新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Yiyang Branch of Hunan Teyijia New Energy Co., Ltd. (湖南特益家新能源有限公司益陽分公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Sanyuan County Fuyang New Energy Co., Ltd. (三原縣賦陽新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Huaibei Shengyuan New Energy Co., Ltd. (淮北晟源新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Ma'anshan Jiasheng New Energy Co., Ltd. (馬鞍山嘉晟新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary

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VI. CHANGES IN THE SCOPE OF CONSOLIDATION (continued)

4. Disposal of subsidiaries (continued)

(1) Loss of control due to a single disposal of investments in subsidiaries (continued)

Name of subsidiary	Subsidiaries	Proportion of equity disposed of (%)	Way of equity disposal	Time of losing the control right	Basis for determination of time of losing the control right
Xiaogan Xinri Guangte New Energy Co., Ltd. (孝感市鑫日光特新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Huanggang Xinneng Guangte New Energy Co., Ltd. (黄冈市鑫能光特新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Huangchuan Xinneng New Energy Co., Ltd. (潢川縣鑫能新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Jingzhou Xinri Guangte New Energy Co., Ltd. (荆州市鑫日光特新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Chuzhou Shengyu New Energy Co., Ltd. (滁州晟煜新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Xishui Guangte Jiasheng New Energy Co., Ltd. (浠水縣光特嘉盛新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Xiaochang Guangte Jiasheng New Energy Co., Ltd. (孝昌縣光特嘉盛新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Qichun Guangte Jiasheng New Energy Co., Ltd. (蕪春縣光特嘉盛新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Weinan Guangte Jiayang New Energy Co., Ltd. (渭南光特嘉陽新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Hancheng Guangte Jiasheng New Energy Co., Ltd. (韓城市光特嘉盛新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Huangshi Xinneng Guangte New Energy Co., Ltd. (黃石市鑫能光特新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary
Wugong Shengguang New Energy Co., Ltd. (武功縣盛光新能源有限公司)	Third-level subsidiary	100	Equity transfer	June 2025	Actual loss of control over the subsidiary



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VI. CHANGES IN THE SCOPE OF CONSOLIDATION (continued)

5. Changes in the scope of consolidation for other reasons:

(1) Cancellation of subsidiaries

Name of subsidiary	Way of disposal	Time of cancellation
Yantai Economic and Technological Development Zone Haida New Energy Development Co., Ltd. (煙台經濟技術開發區海達新能源開發有限公司)	Cancellation	February 2025
Hebei Annong PV Power Generation Co., Ltd. (河北安農光伏發電有限公司)	Cancellation	February 2025
Zaozhuang Yicheng Fengte New Energy Power Generation Co., Ltd. (棗莊市嶧城區豐特新能源發電有限公司)	Cancellation	February 2025
Yuxi Chenguangsheng New Energy Technology Co., Ltd. (越西縣宸光晟新能源科技有限公司)	Cancellation	March 2025
Xiangcheng Chenguang PV Power Generation Co., Ltd. (鄉城縣宸光光伏發電有限責任公司)	Cancellation	March 2025
Tengzhou Shanguo New Energy Co., Ltd. (滕州善國新能源有限公司)	Cancellation	March 2025
Hunan Tejijia New Energy Co., Ltd. Loudi Branch (湖南特益家新能源有限公司婁底分公司)	Cancellation	March 2025
Hunan Tejijia New Energy Co., Ltd. Changde Branch (湖南特益家新能源有限公司常德分公司)	Cancellation	March 2025
Huainan Haosheng New Energy Co., Ltd. (淮南昊晟新能源有限公司)	Cancellation	March 2025
Huainan Shengxiang New Energy Co., Ltd. (淮南晟祥新能源有限公司)	Cancellation	March 2025
Suzhou Fengsheng New Energy Co., Ltd. (宿州風晟新能源有限公司)	Cancellation	March 2025
Tongling Shenghe New Energy Co., Ltd. (銅陵晟禾新能源有限公司)	Cancellation	March 2025
Shangcheng Xinneng New Energy Co., Ltd. (商城縣鑫能新能源有限公司)	Cancellation	March 2025
Huangling Fuyang New Energy Co., Ltd. (黃陵縣賦陽新能源有限公司)	Cancellation	March 2025
Yongshou Kunpeng New Energy Co., Ltd. (永壽縣鯤鵬新能源有限公司)	Cancellation	March 2025
Xincai Juhe Guangsheng Wind Power Generation Co., Ltd. (新蔡縣巨合廣晟風力發電有限公司)	Cancellation	April 2025
Xichuan Yuwan Optoelectronic New Energy Power Generation Co., Ltd. (浙川縣豫宛光電新能源發電有限公司)	Cancellation	April 2025
Binzhou Jiayang New Energy Co., Ltd. (彬州嘉陽新能源有限公司)	Cancellation	April 2025
Enshi Zhisheng New Energy Co., Ltd. (恩施市致盛新能源有限公司)	Cancellation	April 2025
Dongming Yufeng New Energy Power Generation Co., Ltd. (東明縣裕風新能源發電有限公司)	Cancellation	June 2025

(2) Newly established subsidiaries

There was an increase of 15 newly established subsidiaries including Pizhou Shenghui New Energy Co., Ltd. (邳州市晟輝新能源有限公司) and Turpan Xinjing Wind Power Generation Co., Ltd. (吐魯番新晶風力發電有限公司) in the current period.

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VII. INTERESTS IN OTHER ENTITIES

1. Interests in subsidiaries

(1) Structure of the Group

1) Major subsidiaries of the Group

Name of subsidiary	Type of legal person	Place of registration and principal place of business	Business	Registered capital (RMB'0,000)	Shareholding (%)		Way of acquisition
					Directly	Indirectly	
TBEA Xinjiang Sunoasis Co., Ltd. (特變電工新疆新能源股份有限公司)	Joint stock company	Changji Hui Autonomous Prefecture, Xinjiang	Construction of wind power and PV power plants	570,013.13	91.26	—	Business merger involving enterprises under common control
Inner Mongolia Xinte Silicon Materials Co., Ltd. (內蒙古新特硅材料有限公司)	Limited liability company	Baotou, Inner Mongolia	Production and sales of polysilicon	350,000.00	82.00	—	Incorporation
Xinte Silicon New Materials Co., Ltd. (新特硅基新材料有限公司)	Limited liability company	Changji Hui Autonomous Prefecture, Xinjiang	Production and sales of polysilicon	440,000.00	100.00	—	Incorporation
Xinjiang Xinte Crystal Silicon Hightech Co., Ltd. (新疆新特晶體硅科技有限公司)	Limited liability company	Urumqi, Xinjiang	Production and sales of polysilicon	233,915.98	94.30	—	Incorporation
Xinjiang Xinte Energy Construction Material Co., Ltd. (新疆新特能建材有限公司)	Limited liability company	Urumqi, Xinjiang	Production and sales of aerated blocks	4,500.00	100.00	—	Incorporation
Xinjiang Jingshuo New Materials Co., Ltd. (新疆晶碩新材料有限公司)	Limited liability company	Urumqi, Xinjiang	R&D, production and sales of zirconium-based new materials	27,000.00	7.41	85.50	Incorporation
Xinjiang Xinte Xinneng Materials Co., Ltd. (新疆新特新材料檢測中心有限公司)	Limited liability company	Urumqi, Xinjiang	Inspection and testing services	4,478.00	100.00	—	Incorporation
Changji Prefecture Shengding New Energy Power Generation Co., Ltd. (昌吉州盛鼎新能源發電有限公司)	Limited liability company	Changji Hui Autonomous Prefecture, Xinjiang	Operation of wind power plants	155,169.60	—	100.00	Incorporation
Changji Prefecture Shengyu New Energy Power Generation Co., Ltd. (昌吉州盛裕新能源發電有限公司)	Limited liability company	Changji Hui Autonomous Prefecture, Xinjiang	Operation of PV power plants	83,888.70	—	100.00	Incorporation
Urumqi Junsheng Wind Power Generation Co., Ltd. (烏魯木齊勝君盛風力發電有限公司)	Limited liability company	Urumqi, Xinjiang	Operation of wind power plants	15,422.00	—	100.00	Incorporation
Urumqi Zhijun Wind Power Co., Ltd. (烏魯木齊志君風力發電有限公司)	Limited liability company	Urumqi, Xinjiang	Operation of wind power plants	15,422.00	100.00	—	Incorporation
CAMC-TBEA New Energy REIT (華夏特變電工新能源REIT)	Others	Shanghai	Public offering REIT fund	116,370.00	16.00	34.82	Incorporation

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VII. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

1) Major subsidiaries of the Group (continued)

Name of subsidiary	Type of legal person	Place of registration and principal place of business	Business	Registered capital (RMB'0,000)	Shareholding (%)		Way of acquisition
					Directly	Indirectly	
TBEA Xi'an Electrical Technology Co., Ltd. (特變電工西安電氣科技有限公司)	Limited liability company	Xi'an, Shaanxi Province	R&D, production and sales of inverters	175,000.00	—	91.26	Incorporation
Baotou Guangyi Solar Power Co., Ltd. (包頭市光羿太陽能發電有限責任公司)	Limited liability company	Baotou, Inner Mongolia	Operation of PV power plants	15,578.32	—	91.26	Incorporation
Burjin County Jingneng Wind Power Co., Ltd. (布爾津縣晶能風力發電有限責任公司)	Limited liability company	Altay Prefecture, Xinjiang	Operation of wind power plants	26,700.00	—	91.26	Incorporation
Guyang County Wind Power Generation Co., Ltd. (固陽縣風源發電有限責任公司)	Limited liability company	Baotou, Inner Mongolia	Operation of wind power and PV power plants	19,465.00	—	91.26	Incorporation
Hami Fengshang Power Generation Co., Ltd. (哈密風尚發電有限責任公司)	Limited liability company	Hami, Xinjiang	Operation of wind power plants	38,457.70	—	91.26	Incorporation
Hami Huafeng New Energy Power Generation Co., Ltd. (哈密華風新能源發電有限公司)	Limited liability company	Hami, Xinjiang	Operation of wind power plants	38,773.33	—	91.98	Incorporation
Mulei County Jilayu Fengsheng Power Generation Co., Ltd. (木壘縣嘉裕風源發電有限公司)	Limited liability company	Changji, Xinjiang	Operation of wind power plants	48,716.00	—	91.26	Incorporation
Mulei County Xinte Huineng Power Generation Co., Ltd. (木壘縣新特匯能發電有限責任公司)	Limited liability company	Changji, Xinjiang	Operation of wind power plants	16,250.00	—	91.26	Incorporation
Xilingol Xinyuan New Energy Co., Ltd. (錫林郭勒新源新能源有限公司)	Limited liability company	Xilingol League, Inner Mongolia	Operation of wind power plants	29,644.73	—	91.26	Incorporation
Yu County Huaguang PV Power Generation Co., Ltd. (孟縣華光光伏發電有限公司)	Limited liability company	Yangquan, Shanxi Province	Operation of PV power plants	15,349.60	—	91.26	Incorporation
Zhengxiangbai Banner Fengsheng Power Generation Co., Ltd. (正鑣白旗風盛發電有限公司)	Limited liability company	Xilingol League, Inner Mongolia	Operation of wind power plants	73,293.89	—	91.26	Incorporation
Zhongmin (Mulei) Wind Power Co., Ltd. (中閭(木壘)風電有限公司)	Limited liability company	Changji, Xinjiang	Operation of wind power plants	42,000.00	—	91.26	Merger involving enterprises under different control
Xi'an TBEA Electric Power Design Co., Ltd. (西安特變電工電力設計有限責任公司)	Limited liability company	Xi'an, Shaanxi Province	Electric power design	2,099.90	—	91.26	Incorporation

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VII. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

1) Major subsidiaries of the Group (continued)

Name of subsidiary	Type of legal person	Place of registration and principal place of business	Business	Registered capital (RMB'0,000)	Shareholding (%)		Way of acquisition
					Directly	Indirectly	
TBEA Xi'an Flexible Power Transmission & Distribution Co., Ltd. (特變電工西安柔性輸配電有限公司)	Limited liability company	Xi'an, Shaanxi Province	R&D, production and sales of flexible DC power transmission and distribution	5,000.00	—	91.26	Incorporation
Heze Mudan District Haofeng New Energy Co., Ltd. (菏澤市牡丹區浩風新能源有限公司)	Limited liability company	Heze, Shandong Province	Operation of wind power plants	12,834.00	—	91.26	Incorporation
Fengning Manchu Autonomous County Xinlong Wind Power Co., Ltd. (豐寧滿族自治縣新隆風力發電有限公司)	Limited liability company	Chengde, Hebei	Operation of wind power plants	484,55.00	—	91.26	Incorporation
Wenxi County Xinjia New Energy Co., Ltd. (聞喜縣新佳新能源有限公司)	Limited liability company	Yuncheng, Shanxi	Operation of PV power plants	14,392.43	—	91.26	Incorporation
Shache County Xinshang Energy Power Generation Co., Ltd. (莎車縣新尚能源發電有限責任公司)	Limited liability company	Kashgar Prefecture, Xinjiang	Operation of PV power plants	15,222.51	—	91.26	Incorporation
Ruoqiang Zhuo Shang New Energy Co., Ltd. (若羌縣卓尚新能源有限公司)	Limited liability company	Bayingol Mongolian Autonomous Prefecture, Xinjiang	Operation of wind power plants	7,860.00	—	91.26	Incorporation
Liaocheng Shenxian Huahao New Energy Development Co., Ltd. (聊城莘縣華浩新能源發展有限公司)	Limited liability company	Liaocheng, Shandong	Operation of PV power plants	11,943.15	—	91.26	Incorporation
Wuyang County Xinyang New Energy Co., Ltd. (舞陽縣新陽新能源有限公司)	Limited liability company	Luohe, Henan	Operation of wind power plants	20,000.00	—	91.26	Incorporation

(2) Significant joint ventures or associates:

Nil.

2. Significant joint operations:

Nil.

3. Structure entities not included in the scope of consolidated financial statements:

Nil.

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VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS

Main financial instruments of the Group include borrowings, receivables and payables, and details of each are set out in Note V. Risks related to these financial instruments and risk management policies the Group adopts to mitigate such risks are discussed below. The management of the Group manages and monitors the exposure of these risks, to ensure that these risks are controlled within specific ranges.

1. Risk management goals and policies

The goal of the Group's risk management is to achieve reasonable balance between risk and income, minimize the negative impact of risks on the Group's operating results and maximize the interests of shareholders and other equity investors. Based on the goal, the Group's basic strategy of risk management is to identify and analyze the risks the Group is subject to, establish appropriate risk tolerance baseline, promote risk management, monitor risks in a timely and reliable manner and control the risks within specific ranges.

(1) Market risks

- 1) Foreign exchange risk: The Group's foreign exchange exposure is mainly related to US dollars, Euro, Indian Rupee and Philippine Peso, etc.. Except that individual subsidiaries of the Group are using US dollars and other foreign currencies for sales, other main business operations of the Group are denominated and settled in RMB. As at 30 June 2025, some of the Group's assets and liabilities have balances in US dollars, Euro, Indian Rupee and Philippine Peso, etc. The foreign exchange exposure of balances in such foreign currencies is minimal, and will not have a material adverse impact on the financial position of the Group. The Group adopts reasonable hedging instruments and products to reduce the risk of exchange rate fluctuations, adheres to the principle of exchange rate hedging, clarify the management of target exchange rates, and appropriately conducts businesses such as spot and forward settlements to avoid the risk of exchange rate fluctuations.

Items	Closing balance	Opening balance
Bank deposits		
Including: USD	117,456,583.91	64,945,122.94
EUR	13,121,338.11	12,567,378.30
AUD	0.05	0.05
Indian Rupee	364,621,182.73	816,370,690.20
Pakistani Rupee	54,019,498.22	66,022,010.22
Egyptian Pound	1,716,148.62	1,716,973.62
HKD	729,621.39	647,649.63
Chilean Peso	4,619,433.00	4,619,433.00
Bangladeshi Taka	3,073,719.08	3,073,719.08
Turkish Lira	220,277.94	235,873.62
Brazilian Real	5,740,763.87	12,423,215.82
Philippine Peso	103,575,111.57	151,606,692.06
Zambian Kwacha	171,848.22	—

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VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

1. Risk management goals and policies (continued)

(1) Market risks (continued)

1) Foreign exchange risk (continued)

Items	Closing balance	Opening balance
Other monetary funds		
Including: USD	3,279,326.39	2,061,519.71
EUR	56,154.90	56,154.90
Indian Rupee	—	117,713,952.70
Accounts receivable		
Including: USD	27,622,362.41	22,373,834.84
Indian Rupee	16,090,499.45	189,333,165.24
Pakistani Rupee	152,268,598.61	365,307,058.75
EUR	11,837,194.50	10,052,720.34
Brazilian Real	12,708,850.03	23,755,995.95
Other receivables		
Including: USD	404,091.69	130,879.86
EUR	206,112.00	140,432.00
Pakistani Rupee	38,657,749.79	—
Egyptian Pound	45,901.92	45,901.92
Turkish Lira	67,497.03	67,497.03
Zambian Kwacha	4,046,201.78	25,251,124.38
Accounts payable		
Including: USD	3,284,152.18	1,741,233.99
EUR	409,315.23	48,593.15
HKD	149,868.46	149,868.46
Pakistani Rupee	15,292,480.68	8,276,512.68
Chilean Peso	2,169,721.00	2,169,721.00
Egyptian Pound	237,274.01	237,274.01
Malaysian Ringgit	2,650.00	—
Brazilian Real	579,845.87	59,605.30



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VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

1. Risk management goals and policies (continued)

(1) Market risks (continued)

1) Foreign exchange risk (continued)

Items	Closing balance	Opening balance
Other payables		
Including: USD	800,779.39	438,364.40
Pakistani Rupee	13,547,924.28	7,129,595.66
Egyptian Pound	506,851.91	491,024.51
Indian Rupee	286,043,398.14	28,994,728.60
Brazilian Real	700	700

2) Interest rate risk: The Group's interest rate risk arises from interest-bearing liabilities such as bank borrowings. Financial liabilities at floating interest rates expose the Group to cash flow interest rate risk, and financial liabilities at fixed interest rates expose the Group to fair value interest rate risk. The Group determines the relative ratio of its fixed rate and floating rate contracts based on prevailing market conditions.

3) Price risk: The Group is subject to price fluctuations as it procures raw materials and sells products at market rates.

(2) Credit risk. As at 30 June 2025, the largest credit risk exposure that may incur financial loss to the Group mainly came from the other party's failure to perform its obligations under the contract that leads to a loss of financial assets of the Group, including:

Carrying amount of financial assets recognized in the consolidated balance sheet; for financial instruments measured at fair value, the carrying amount reflects the risk exposure, which is not the largest risk exposure, and the largest risk exposure will change according to the changes of fair value in the future.

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

1. Risk management goals and policies (continued)

(2) (continued)

To minimize the credit risk, the Group establishes a designated department to determine the credit line, review credit approval and perform other monitoring procedures to ensure necessary measures are adopted to recover overdue debts. In addition, the Group reviews the recovery of each item of receivables at each balance sheet date, to ensure sufficient bad debt provisions are made on unrecoverable items. Therefore, the management of the Group believes that the credit risk the Group is subject to has been reduced significantly.

The Group's credit risk related to liquidity was relatively low as its liquidity was deposited in banks with high credit ratings and TBEA Group Finance Co., Ltd. (特變電工集團財務有限公司).

The Group had taken necessary measures to make sure all customers have a good credit record. Other than the five largest amounts of accounts receivable, the Group does not have other significant credit risk concentration.

- (3) Liquidity risk. Liquidity risk is the risk that the Group is not be able to meet the financial obligations at maturity. The Group's policy of liquidity risk management is to ensure sufficient liquidity to meet the financial obligations as the fall due without incurring unacceptable losses or causing damage to its reputation. The Group regularly analyzes the structure and maturity of liabilities to ensure that sufficient funds are available. The management of the Group monitors the use of bank borrowings and ensures compliance with the agreements. It also negotiates with financial institutions on financing to maintain a certain credit limit and reduce liquidity risk.



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IX. DISCLOSURE OF FAIR VALUE

1. Fair value of assets and liabilities measured at fair value at the end of the period

Items	Fair value at the end of the period			Total
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	
I. Continuous fair value measurement				
(I) Financial assets held for trading	—	—	54,110,364.14	54,110,364.14
1. Financial assets at fair value through profit or loss	—	—	54,110,364.14	54,110,364.14
(1) Investments in debt instruments	—	—	—	—
(2) Investments in equity instruments	—	—	54,110,364.14	54,110,364.14
(3) Derivative financial instruments	—	—	—	—
(II) Receivables financing	—	411,745,975.28	—	411,745,975.28
(III) Other debt investments	—	—	—	—
(IV) Other equity instrument investments	—	—	121,824,188.20	121,824,188.20
Total assets continuously measured at fair value	—	411,745,975.28	284,155,280.62	695,901,255.90
(V) Financial liabilities held for trading				
1. Financial liabilities at fair value through profit or loss	—	4,335,096.35	—	4,335,096.35
(1) Derivative financial liabilities	—	4,335,096.35	—	4,335,096.35
Total liabilities continuously measured at fair value	—	4,335,096.35	—	4,335,096.35

2. Valuation techniques and qualitative and quantitative information of important parameters adopted for items of continuous and non-continuous Level 2 fair value measurement

The fair value of receivables financing of the Group approximates the carrying amount, as the remaining term is relatively short.

3. Valuation techniques and qualitative and quantitative information of important parameters adopted for items of continuous and non-continuous Level 3 fair value measurement

Non-current financial assets under Level 3 fair value measurement mainly include investments in unlisted equity (private equity) and private funds. As the Group's shareholding in the investees is relatively low and has no significant influence on investees, it is impractical to adopt income approach or market-based approach to assess the value of investees; the investees do not have introduction of investors or equity transfer of shareholders in recent periods that can serve as reference of fair value; based on the analysis of relevant information acquired, the Group has not noticed significant changes of investees' internal and external environments since their establishment. Therefore, it is a "limited circumstance" where the book value is deemed as the best estimate of fair value, and the cost is recognized as fair value at the end of the period accordingly.

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X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(I) Relationship with related parties

1. Controlling Shareholder and ultimate controlling party

(1) Controlling Shareholder and ultimate controlling party

Name of Controlling Shareholder	Registration place	Business	Registered capital (RMB'0,000)	Proportion of shareholding in the Company (%)	Proportion of voting right in the Company (%)
TBEA Co., Ltd.	Changji Xinjiang	Production and sales	505,279.26	66.61	66.61

Name of Controlling Shareholder and ultimate controlling party	Type	Legal representative	Unified Social Credit Identifier
TBEA Co., Ltd.	Other joint stock company (listed)	Zhang Xin	91650000299201121Q

Zhang Xin holds a total of 72.67% of the shares of the Company through Xinjiang Tebian Group Co., Ltd. (新疆特變電工集團有限公司), TBEA Co., Ltd. (特變電工股份有限公司), Xinjiang Far Excellence Enterprise Management Consulting Co., Ltd. (新疆遠卓企業管理諮詢有限公司) and TBEA (HONGKONG) CO., LIMITED (特變電工(香港)有限公司) and is the de facto controller of the Company.

(2) Registered capital of Controlling Shareholder and the changes

Controlling Shareholder	Opening balance	Increase in current period	Decrease in current period	Closing balance
TBEA Co., Ltd.	5,052,792,571.00	—	—	5,052,792,571.00

(3) Shares or equity interest held by Controlling Shareholder and the changes

Controlling Shareholder	Amount of shareholding Closing balance	Opening balance	Proportion of shareholding (%) Closing balance	Opening balance
TBEA Co., Ltd.	952,449,361.00	922,509,361.00	66.61	64.51



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X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(I) Relationship with related parties (continued)

2. Subsidiaries

Note 1: As at 30 June 2025, none of the subsidiaries of the Company has issued any share capital or debt securities.

Note 2: Details of subsidiaries are set out in Note "VII. 1. (1) Structure of the Group".

3. Joint ventures and associates with operations and transactions with the Company

Name of related party with operations and transactions with the Company	Relationship with the Company
Jeminay Xinte Wind Power Co., Ltd. (吉木乃新特風電有限公司)	Associate
Wuling Jiangyong Power Co., Ltd. (五淩江永電力有限公司)	Associate
Jiangyong Shenghua Energy Development Co., Ltd. (江永晟華能源開發有限公司)	Associate
Jiangyong Clean Energy Development Co., Ltd. (江永清潔能源開發有限公司)	Associate
Daoxian Clean Energy Development Co., Ltd. (道縣清潔能源開發有限公司)	Associate
Wujiaqu TBEA PV Power Technology Co., Ltd. (五家渠特變電工光電科技有限責任公司)	Associate
Turpan TBEA New Energy Co., Ltd. (吐魯番特變電工新能源有限公司)	Associate
Wujiaqu Xinte Energy Co., Ltd. (五家渠新特能源有限責任公司)	Associate
China Energy Xinjiang Ganquanpu Integrated Energy Co., Ltd. (國能新疆甘泉堡綜合能源有限公司)	Associate
Jiangyong Xinfeng New Energy Development Co., Ltd. * (江永鑫風新能源開發有限公司)	Associate
Huaxiang (Hongdong) New Energy Technology Co., Ltd. (華翔(洪洞)新能源科技有限公司)	Associate
Guyang County Changlan Wind Power Co., Ltd. * (固陽縣長嵐風力發電有限公司)	Associate, transferred in January 2025

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(I) Relationship with related parties (continued)

4. Other related parties with operations and transactions with the Company

Name of other related party with operations and transactions with the Company	Relationship with the Company
Changji Hui Autonomous Prefecture TBEA Employee Training Center (昌吉回族自治州特變電工職業培訓中心)	Enterprise controlled by the controlling shareholder
Liaoning Hanwei International Logistics Co., Ltd. (遼寧漢威國際物流有限公司)	Enterprise controlled by the controlling shareholder
Nanjing Electric Power Research and Automation Co., Ltd. (南京電研電力自動化股份有限公司)	Enterprise controlled by the controlling shareholder
Xinjiang Joinworld Co., Ltd. (新疆眾和股份有限公司)	Enterprise controlled by the controlling shareholder
Xinjiang Joinworld Jinyuan Magnesium Industry Co., Ltd. (新疆眾和金源鎂業有限公司)	Enterprise controlled by the controlling shareholder
Shihezi Zhongjin Electrode Foil Co., Ltd. (石河子眾金電極箔有限公司)	Enterprise controlled by the controlling shareholder
Urumqi Zhongrong Electronic Material Technology Co., Ltd. (烏魯木齊眾榮電子材料科技有限公司)	Enterprise controlled by the controlling shareholder
Xinjiang Ene Gold Graphene Technology Co., Ltd. (新疆烯金石墨烯科技有限公司)	Enterprise controlled by the controlling shareholder
Sanyang Silu (Korgas) Factoring Co., Ltd. (三陽絲路(霍爾果斯)商業保理有限公司)	Enterprise controlled by the controlling shareholder
TBEA (Deyang) Cable Co., Ltd. (特變電工(德陽)電纜股份有限公司)	Enterprise controlled by the controlling shareholder
TBEA International Engineering Co., Ltd. (特變電工國際工程有限公司)	Enterprise controlled by the controlling shareholder
TBEA Hengyang Transformer Co., Ltd. (特變電工衡陽變壓器有限公司)	Enterprise controlled by the controlling shareholder
TBEA Hunan Electrical Power and Equipment Co., Ltd. (特變電工湖南電氣有限公司)	Enterprise controlled by the controlling shareholder
TBEA Group Finance Co., Ltd. (特變電工集團財務有限公司)	Enterprise controlled by the controlling shareholder
TBEA Jing-Jin-Ji Intelligence Technology Co., Ltd. (特變電工京津冀智能科技有限公司)	Enterprise controlled by the controlling shareholder
TBEA Technology Investment Co., Ltd. (特變電工科技投資有限公司)	Enterprise controlled by the controlling shareholder
TBEA Shandong Luneng Taishan Cable Co., Ltd. (特變電工山東魯能泰山電纜有限公司)	Enterprise controlled by the controlling shareholder
TBEA Shandong Shenbian Electrical Equipment Co., Ltd. (特變電工山東沈變電氣設備有限公司)	Enterprise controlled by the controlling shareholder
TBEA Shenyang Transformer Group Co., Ltd. (特變電工瀋陽變壓器集團有限公司)	Enterprise controlled by the controlling shareholder
TBEA Shenyang Electric Power Survey & Design Co., Ltd. (特變電工瀋陽電力勘测設計有限公司)	Enterprise controlled by the controlling shareholder
TBEA Xinjiang Energy Co., Ltd. (特變電工新疆能源有限公司)	Enterprise controlled by the controlling shareholder
TBEA Yunji High-voltage Switch Co., Ltd. (特變電工雲集高壓開關有限公司)	Enterprise controlled by the controlling shareholder
TBEA Intelligent Electrical Power and Equipment Co., Ltd. (特變電工智能電氣有限責任公司)	Enterprise controlled by the controlling shareholder
TBEA Zhongfa Shanghai High-voltage Switch Co., Ltd. (特變電工中發上海高壓開關有限公司)	Enterprise controlled by the controlling shareholder
Tianjin TBEA Transformer Co., Ltd. (天津市特變電工變壓器有限公司)	Enterprise controlled by the controlling shareholder
Xinjiang Tianchi Energy Sales Co., Ltd. (新疆天池能源銷售有限公司)	Enterprise controlled by the controlling shareholder
Xinjiang Tianchi Energy Co., Ltd. (新疆天池能源有限責任公司)	Enterprise controlled by the controlling shareholder
Xinjiang Zhundong TBEA Energy Co., Ltd. (新疆准東特變能源有限責任公司)	Enterprise controlled by the controlling shareholder
Xinjiang Changji TBEA Energy Co., Ltd. (新疆昌吉特變能源有限責任公司)	Enterprise controlled by the controlling shareholder
Xinjiang TBEA Electrical Industry Cultural Tourism Co., Ltd. (新疆特變電工工業文化旅遊有限責任公司)	Enterprise controlled by the controlling shareholder

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

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X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(I) Relationship with related parties (continued)

4. Other related parties with operations and transactions with the Company (continued)

Name of other related party with operations and transactions with the Company	Relationship with the Company
Tianjin Sanyang Silu Commercial Factoring Co., Ltd. (天津三陽絲路商業保理有限公司)	Enterprise controlled by the controlling shareholder
Xinjiang TBEA Loulan New Material Technology Co., Ltd. (新疆特變電工樓蘭新材料技術有限公司)	Enterprise controlled by the controlling shareholder
TBEA Yunji Electrical Power and Equipment Co., Ltd. (特變電工雲集電氣有限公司)	Enterprise controlled by the controlling shareholder
Wuqi County Huaguan New Energy Co., Ltd. (吳起縣華光新能源有限公司)	Enterprise controlled by the controlling shareholder
Shihezi Zhonghe New Materials Co., Ltd. (石河子眾和新材料有限公司)	Enterprise controlled by the controlling shareholder
Xintai Guanghua PV Power Generation Co., Ltd. (新泰市光華光伏發電有限責任公司)	Enterprise controlled by the controlling shareholder
TBEA Kangjia (Shenyang) Transformer Co., Ltd. (特變電工康嘉(瀋陽)互感器有限責任公司)	Enterprise controlled by the controlling shareholder
Chongren County Huafeng Power Generation Co., Ltd. (崇仁縣華風發電有限公司)	Enterprise controlled by the controlling shareholder
Xuyi High Drive Wind Power Co., Ltd. * (盱眙高傳風力發電有限公司)	Enterprise controlled by the controlling shareholder
TBEA Xinjiang Cable Co., Ltd. (特變電工新疆電纜有限公司)	Enterprise controlled by the controlling shareholder
Northwest Wire & Cable Testing Co., Ltd. (西北電線電纜檢測中心有限公司)	Enterprise controlled by the controlling shareholder
Xinjiang TBEA Shared Financial Services Co., Ltd. (新疆特變電工共享財務服務有限公司)	Enterprise controlled by the controlling shareholder
TBEA Supply Chain Management Co., Ltd. (特變電工供應鏈管理有限公司)	Enterprise controlled by the controlling shareholder
TBEA Hunan Engineering Co., Ltd. (特變電工湖南工程有限公司)	Enterprise controlled by the controlling shareholder
TBEA Hunan International Logistics Technology Co., Ltd. (特變電工湖南國際物流科技有限公司)	Enterprise controlled by the controlling shareholder
TBEA Nanjing Intelligent Electrical Power and Equipment Co., Ltd. (特變電工南京智能電氣有限公司)	Enterprise controlled by the controlling shareholder
TBEA Xinjiang Electrical Engineering Materials Co., Ltd. (特變電工新疆電工材料有限公司)	Enterprise controlled by the controlling shareholder
Xinjiang Tebian (Group) Modern Agricultural Technology Co., Ltd. (新疆特變(集團)現代農業科技有限公司)	Enterprise controlled by the controlling shareholder
TBEA (Deyang) Electrical Engineering Co., Ltd. (特變電工(德陽)電力工程有限公司)	Enterprise controlled by the controlling shareholder
Xinjiang TBEA Automatic Control Equipment Co., Ltd. (新疆特變電工自控設備有限公司)	Enterprise controlled by the controlling shareholder
TBEA New Silk Road International Trading (Tianjin) Co., Ltd. (特變電工新絲路國際貿易(天津)有限責任公司)	Enterprise controlled by the controlling shareholder
Urumqi Mingrui Guangsheng Power Co., Ltd. (烏魯木齊明瑞廣晟發電有限公司)	Enterprise controlled by the controlling shareholder
Xinjiang Tebian Group Co., Ltd. (新疆特變電工集團有限公司)	Enterprise controlled by the de facto controller
Shenyang TBEA Electrical Engineering Co., Ltd. (瀋陽特變電工電氣工程有限公司)	Enterprise controlled by directors of the Company
Inner Mongolia TBEA Energy Equipment Co., Ltd. (內蒙古特變電工能源裝備有限公司)	Enterprise controlled by directors of the Company
Xinjiang Changte Power Transmission and Transformation Devices Co., Ltd. (新疆昌特輸變電配件有限公司)	Enterprise controlled by directors of the Company
Xinjiang TBEA International Package Services Co., Ltd. (新疆特變電工國際成套工程承包有限公司)	Enterprise controlled by directors of the Company

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
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X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(I) Relationship with related parties (continued)

4. Other related parties with operations and transactions with the Company (continued)

Name of other related party with operations and transactions with the Company	Relationship with the Company
Xinjiang Tebian Group Logistics Co., Ltd. (新疆特變電工集團物流有限公司)	Enterprise controlled by directors of the Company
Xinjiang Tebian (Group) Modern Agricultural Technology Co., Ltd. (新疆特變(集團)現代農業科技有限公司)	Enterprise controlled by directors of the Company
Zhongjiang Logistics Co., Ltd. (中疆物流有限責任公司)	Enterprise controlled by directors of the Company
Zhongsilu Construction Investment Group Co., Ltd. (中絲路建設投資集團有限公司)	Enterprise controlled by directors of the Company
Zhongsilu Design & Consulting Co., Ltd. (中絲路設計諮詢有限公司)	Enterprise controlled by directors of the Company
Tianjin Zhongjiang Supply Chain Management Co., Ltd. (天津中疆供應鏈管理有限公司)	Enterprise controlled by directors of the Company
Baotou TBEA Kangyang Real Estate Co., Ltd.* (包頭特變電工康養置業有限責任公司)	Enterprise controlled by directors of the Company
Zhongjiang Logistics Fukang Co., Ltd. (中疆物流阜康有限公司)	Enterprise controlled by directors of the Company
Zhuobin Co., Ltd.* (卓賓有限責任公司)	Enterprise controlled by directors of the Company
China Radio and Television Xinjiang Network Co., Ltd. (中國廣播電視新疆網絡股份有限公司)	Party of other relationship
Tumxuk Hengrunjin Power Technology Co., Ltd. (圖木舒克恒潤金電力科技有限公司)	Party of other relationship
Urumqi Xinte Power Generation Co., Ltd. (烏魯木齊新特發電有限責任公司)	Party of other relationship
China General Certification Center Co., Ltd. (北京鑒衡認證中心有限公司)	Party of other relationship
CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd. (中建新疆建工(集團)有限公司)	Party of other relationship
Huadian Huocheng New Energy Co., Ltd. (華電霍城新能源有限公司)	Party of other relationship
Karamay Yousheng New Energy Co., Ltd.* (克拉瑪依油晟新能源有限責任公司)	Party of other relationship
Tianzhu Linyuan New Energy Technology Co., Ltd. (天祝林源新能源科技有限公司)	Party of other relationship



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(II) Related-party transactions

1. Related-party transactions of purchase of goods and acceptance of services

(1) Purchase of goods/acceptance of services

Related party	Amount recognized in current period	Amount recognized in previous period
Xinjiang Tianchi Energy Sales Co., Ltd. (新疆天池能源销售有限公司)	35,755,106.56	153,597,183.20
TBEA Group (Tianjin) New Energy Technology Co., Ltd. (特變電工集團(天津)新能源科技 有限公司)	—	73,465,805.18
TBEA Xinjiang Energy Co., Ltd. (特變電工新疆能源有限公司)	35,377,775.23	59,520,000.00
TBEA Co., Ltd. (特變電工股份有限公司)	1,944,728.13	44,677,030.42
Tianjin TBEA Transformer Co., Ltd. (天津市特變電工變壓器有限公司)	32,735,203.26	43,605,582.41
TBEA Xinjiang Cable Co., Ltd. (特變電工新疆電纜有限公司)	15,613,432.20	42,679,183.27
TBEA Jing-Jin-Ji Intelligence Technology Co., Ltd. (特變電工京津冀智能科技有限公司)	25,357,956.77	38,730,518.65
Xinjiang TBEA International Package Services Co., Ltd. (新疆特變電工國際成套工程承包 有限公司)	23,329,304.35	34,462,519.70
TBEA International Engineering Co., Ltd. (特變電工國際工程有限公司)	135,350,398.60	20,800,729.43
Inner Mongolia TBEA Energy Equipment Co., Ltd. (內蒙古特變電工能源裝備有限公司)	—	18,312,803.54
Nanjing Electric Power Research and Automation Co., Ltd. (南京電研電力自動化股份有限公司)	7,152,588.08	15,846,051.13
Shenyang TBEA Electrical Engineering Co., Ltd. (瀋陽特變電工電氣工程有限公司)	—	12,707,829.63
TBEA (Deyang) Cable Co., Ltd. (特變電工(德陽)電纜股份有限公司)	—	10,154,507.28
Xinjiang Joinworld Co., Ltd. (新疆眾和股份有限公司)	2,611,571.65	9,574,048.55
Xinjiang TBEA Automatic Control Equipment Co., Ltd. (新疆特變電工自控設備有限公司)	—	6,364,985.55
TBEA Hunan Electrical Power and Equipment Co., Ltd. (特變電工湖南電氣有限公司)	1,672,566.37	3,877,027.88
Zhongsilu Construction Investment Group Co., Ltd. (中絲路建設投資集團有限公司)	14,154,643.21	3,538,954.75

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From 1 January 2025 to 30 June 2025
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X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(II) Related-party transactions (continued)

1. Related-party transactions of purchase of goods and acceptance of services (continued)

(1) Purchase of goods/acceptance of services (continued)

Related party	Amount recognized in current period	Amount recognized in previous period
Xinjiang TBEA Electrical Industry Cultural Tourism Co., Ltd. (新疆特變電工工業文化旅遊有限責任公司)	315,993.28	3,423,240.79
TBEA Yunji Electrical Power and Equipment Co., Ltd. (特變電工雲集電氣有限公司)	2,956,059.55	3,365,654.85
TBEA Hengyang Transformer Co., Ltd. (特變電工衡陽變壓器有限公司)	—	3,322,575.22
TBEA Shenyang Transformer Group Co., Ltd. (特變電工瀋陽變壓器集團有限公司)	—	2,841,941.30
Xinjiang Tianchi Energy Co., Ltd. (新疆天池能源有限責任公司)	65,742,415.50	2,830,188.68
TBEA Technology Investment Co., Ltd. (特變電工科技投資有限公司)	2,154,182.77	2,787,531.20
TBEA Yunji High-voltage Switch Co., Ltd. (特變電工雲集高壓開關有限公司)	6,002,831.85	1,991,150.43
TBEA Shandong Luneng Taishan Cable Co., Ltd. (特變電工山東魯能泰山電纜有限公司)	16,495,644.46	1,920,293.80
Zhongsilu Design & Consulting Co., Ltd. (中絲路設計諮詢有限公司)	1,320,754.72	566,037.74
TBEA Shenyang Electric Power Survey & Design Co., Ltd. (特變電工瀋陽電力勘測設計有限公司)	—	535,471.70
TBEA Zhongfa Shanghai High-voltage Switch Co., Ltd. (特變電工中發上海高壓開關有限公司)	—	141,592.92
Changji Hui Autonomous Prefecture TBEA Employee Training Center (昌吉回族自治州特變電工職業培訓中心)	3,061.39	75,309.25
Xinjiang TBEA Shared Financial Services Co., Ltd. (新疆特變電工共享財務服務有限公司)	55,276.67	40,986.63
TBEA Nanjing Intelligent Electrical Power and Equipment Co., Ltd. (特變電工南京智能電氣有限公司)	—	6,981.13
Liaoning Hanwei International Logistics Co., Ltd. (遼寧漢威國際物流有限公司)	1,482,310.92	—



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

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X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(II) Related-party transactions (continued)

1. Related-party transactions of purchase of goods and acceptance of services (continued)

(1) Purchase of goods/acceptance of services (continued)

Related party	Amount recognized in current period	Amount recognized in previous period
Xinjiang Transformers Factory of TBEA Co., Ltd. (特變電工股份有限公司新疆變壓器廠)	10,859,532.40	—
TBEA (Deyang) Cable Co., Ltd. (特變電工(德陽)電纜股份有限公司)	3,453.68	—
Xinjiang TBEA Loulan New Material Technology Co., Ltd. (新疆特變電工樓蘭新材料技術有限公司)	24,770.61	—
Xinjiang Zhundong TBEA Energy Co., Ltd. (新疆准東特變能源有限責任公司)	20,553,630.82	—
TBEA Supply Chain Management Co., Ltd. (特變電工供應鏈管理有限公司)	216,203.78	—
General Gobi No. 2 Open-Pit Coal Mine of Xinjiang Tianchi Energy Co., Ltd. (新疆天池能源有限責任公司將軍戈壁二號露天煤礦)	74,964,153.41	—
TBEA Shenyang Electric Power Survey & Design Co., Ltd. Tianjin Branch (特變電工瀋陽電力勘测設計有限公司天津分公司)	3,471,102.47	—
TBEA Hunan International Logistics Technology Co., Ltd. (特變電工湖南國際物流科技有限公司)	1,029,162.50	—
TBEA (Shenyang) Electrical Technology Co., Ltd. (特變電工(瀋陽)電氣科技有限公司)	24,983.71	—
Tianjin Sanyang Silu Commercial Factoring Co., Ltd. (天津三陽絲路商業保理有限公司)	82,721,357.04	—
Employees' Canteen of Xinjiang Logistics Management Branch of TBEA Co., Ltd. (特變電工股份有限公司新疆後勤管理分公司職工餐廳)	1,519,593.90	—
Total	622,971,749.85	615,763,716.21

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From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(II) Related-party transactions (continued)

1. Related-party transactions of purchase of goods and acceptance of services (continued)

(2) Sales of goods/provision of services

Related party	Amount recognized in current period	Amount recognized in previous period
Xinjiang Joinworld Co., Ltd. (新疆眾和股份有限公司)	7,166,142.16	21,235,099.72
Xinjiang TBEA Loulan New Material Technology Co., Ltd. (新疆特變電工樓蘭 新材料技術有限公司)	976,792.02	18,117,859.48
Xuyi High Drive Wind Power Co., Ltd. * (盱眙高傳風力發電有限公司)	3,734,276.72	4,481,132.08
TBEA Jing-Jin-Ji Intelligence Technology Co., Ltd. (特變電工京津冀智能科技有限公司)	155,660.38	3,451,327.43
Chongren County Huafeng Power Generation Co., Ltd. (崇仁縣華風發電有限公司)	2,830,188.66	2,872,358.47
Xintai Guanghua PV Power Generation Co., Ltd. (新泰市光華光伏發電有限責任公司)	1,896,792.48	1,886,792.46
Inner Mongolia TBEA Energy Equipment Co., Ltd. (內蒙古特變電工能源裝備有限公司)	—	1,150,000.02
Wuqi County Huaguang New Energy Co., Ltd. (吳起縣華光新能源有限公司)	1,037,735.83	1,037,735.84
Shihezi Zhonghe New Materials Co., Ltd (石河子眾和新材料有限公司)	—	551,946.90
TBEA Technology Investment Co., Ltd. (特變電工科技投資有限公司)	—	509,433.96
Zhongsilu Construction Investment Group Co., Ltd. (中絲路建設投資集團有限公司)	382,542.50	462,887.64
TBEA Hunan International Logistics Technology Co., Ltd. (特變電工湖南國際物流科技有限公司)	—	211,061.95
TBEA Co., Ltd. (特變電工股份有限公司)	—	165,881.13
Xinjiang Zhongsilu New Materials Co., Ltd. (新疆中絲路新材料有限公司)	—	89,433.96
Xinjiang Tianchi Energy Co., Ltd. (新疆天池能源有限責任公司)	26,764.15	78,198.12

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(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(II) Related-party transactions (continued)

1. Related-party transactions of purchase of goods and acceptance of services (continued)

(2) Sales of goods/provision of services (continued)

Related party	Amount recognized in current period	Amount recognized in previous period
TBEA Shenyang Transformer Group Co., Ltd. (特變電工瀋陽變壓器集團有限公司)	—	75,471.7
Xinjiang Tebian Group Co., Ltd. (新疆特變電工集團有限公司)	—	56,603.77
Xinjiang TBEA Automatic Control Equipment Co., Ltd. (新疆特變電工自控設備有限公司)	—	37,446.13
Nanjing Electric Power Research and Automation Co., Ltd. (南京電研電力自動化股份有限公司)	1,039,946.90	33,274.34
TBEA Hunan Engineering Co., Ltd. (特變電工湖南工程有限公司)	—	28,318.58
TBEA International Engineering Co., Ltd. (特變電工國際工程有限公司)	—	560.37
TBEA Intelligent Electrical Power and Equipment Co., Ltd. (特變電工智能電氣有限責任公司)	—	373.58
Xinjiang Zhundong TBEA Energy Co., Ltd. (新疆准東特變能源有限責任公司)	885,492.95	—
TBEA Co., Ltd. Energy Power Branch (特變電工股份有限公司能源動力分公司)	22,558.00	—
Amaria Hydropower Development Co., Ltd. (阿瑪利亞水電開發股份有限公司)	24,262,853.52	—
Total	44,417,746.27	56,533,197.63

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(II) Related-party transactions (continued)

2. Related-party trusteeship/contracting and commissioned management/outsourcing: Nil.
3. Related-party lease: Nil.
4. Related-party guarantee

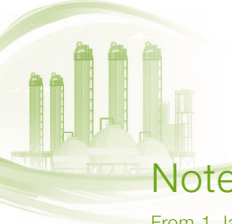
(1) As secured party

Guarantor	Secured party	Amount of guarantee	Inception date	Expiration date	Whether the performance is completed
TBEA Co., Ltd.	Company	86,000,000.00	2019-5-28	2029-5-28	No
TBEA Co., Ltd.	Company	600,000,000.00	2019-5-28	2029-5-28	No
TBEA Co., Ltd.	Xinjiang Xinte Crystal Silicon Hightech Co., Ltd. (新疆新特晶體硅高科技有限公司)	100,000,000.00	2018-9-21	2027-9-20	Yes
TBEA Co., Ltd.	Xinjiang Xinte Crystal Silicon Hightech Co., Ltd.	200,000,000.00	2018-10-11	2027-9-20	Yes
TBEA Co., Ltd.	Xinjiang Xinte Crystal Silicon Hightech Co., Ltd.	150,000,000.00	2018-10-18	2027-9-20	Yes
TBEA Co., Ltd.	Xinjiang Xinte Crystal Silicon Hightech Co., Ltd.	150,000,000.00	2018-11-27	2027-9-20	Yes
TBEA Co., Ltd.	Xinjiang Xinte Crystal Silicon Hightech Co., Ltd.	100,000,000.00	2018-11-16	2027-9-20	Yes
TBEA Co., Ltd.	Xinjiang Xinte Crystal Silicon Hightech Co., Ltd.	400,000,000.00	2019-1-31	2025-12-13	Yes
TBEA Co., Ltd.	Xinjiang Xinte Crystal Silicon Hightech Co., Ltd.	1,000,000,000.00	2019-1-31	2025-12-13	Yes
TBEA Co., Ltd.	Xinjiang Xinte Crystal Silicon Hightech Co., Ltd.	700,000,000.00	2019-1-31	2025-12-13	Yes

Note: As of 30 June 2025, the loan balance guaranteed by TBEA, the controlling shareholder of the Company, and the Company, was RMB366,000,000.00.

5. Related-party borrowings: Nil.
6. Asset transfer and debt restructuring of related parties: Nil.
7. Remuneration of key management personnel

Item	Amount recognized in current period	Amount recognized in previous period
Total remuneration	6,876,568.34	12,689,150.35



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(II) Related-party transactions (continued)

8. Financial expenses and interest with TBEA Group Finance Co., Ltd.

Item	Amount recognized in current period	Amount recognized in previous period
Interest income	6,558,582.37	21,820,709.40
Interest expense	—	2,111,111.10
Service charge	72,543.07	2,705.53

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(III) Balance of transactions with related parties

1. Receivables

Items	Related party	Closing balance	Opening balance
Accounts receivable	Xuyi High Drive Wind Power Co., Ltd. * (盱眙高傳風力發電有限公司)	4,750,000.00	6,416,531.27
Accounts receivable	Nanjing Electric Power Research and Automation Co., Ltd. (南京電研電力自動化股份有限公司)	1,288,000.00	2,650,000.00
Accounts receivable	TBEA (Hunan) Energy Construction Co., Ltd. (特變電工(湖南)能源建設有限公司)	—	2,646,000.00
Accounts receivable	Xinjiang Joinworld Co., Ltd. (新疆眾和股份有限公司)	519,309.70	1,890,559.22
Accounts receivable	TBEA Jing-Jin-Ji Intelligence Technology Co., Ltd. (特變電工京津冀智能科技有限公司)	—	1,560,000.00
Accounts receivable	TBEA Technology Investment Co., Ltd. (特變電工科技投資有限公司)	1,481,404.96	1,235,000.00
Accounts receivable	Xinjiang Tianchi Energy Co., Ltd. (新疆天池能源有限責任公司)	399,582.32	644,884.74
Accounts receivable	Xinjiang TBEA Loulan New Material Technology Co., Ltd. (新疆特變電工樓蘭新材料技術有限公司)	1,532,808.85	560,259.31
Accounts receivable	TBEA Co., Ltd. (特變電工股份有限公司)	720.00	379,000.00
Accounts receivable	Xinjiang Changji TBEA Energy Co., Ltd. (新疆昌吉特變能源有限責任公司)	206,747.84	245,744.84
Accounts receivable	Urumqi Zhongrong Electronic Material Technology Co., Ltd. (烏魯木齊眾榮電子材料科技有限公司)	—	229,158.80
Accounts receivable	Xinjiang Tebian Group Co., Ltd. (新疆特變電工集團有限公司)	—	66,750.00
Accounts receivable	Xinjiang Zhundong TBEA Energy Co., Ltd. (新疆准東特變能源有限責任公司)	136,733.48	60,947.60
Accounts receivable	Chongren County Huafeng Power Generation Co., Ltd. (崇仁縣華風發電有限公司)	1,500,000.00	0.30
Accounts receivable	Jiangyong Shenghua Energy Development Co., Ltd. (江永晟華能源開發有限公司)	481,205.30	—
Accounts receivable	Daoxian Clean Energy Development Co., Ltd. (道縣清潔能源開發有限公司)	5,391,015.41	—



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(III) Balance of transactions with related parties (continued)

1. Receivables (continued)

Items	Related party	Closing balance	Opening balance
Accounts receivable	Jiangyong Clean Energy Development Co., Ltd. (江永清潔能源開發有限公司)	3,020,093.64	—
Accounts receivable	Wuqi County Huaguang New Energy Co., Ltd. (吳起縣華光新能源有限公司)	1,099,999.99	—
Accounts receivable	Zhongsilu Construction Investment Group Co., Ltd. (中絲路建設投資集團有限公司)	165,237.04	—
Accounts receivable	Jiangyong Xinfeng New Energy Development Co., Ltd. (江永鑫風新能源開發有限公司)	2,285,433.93	—
Accounts receivable	Tumxuk Hengrunjin Power Technology Co., Ltd. (圖木舒克恒潤金電力科技有限公司)	2,160,000.00	—
Accounts receivable	Inner Mongolia TBEA Energy Equipment Co., Ltd. (內蒙古特變電工能源裝備有限公司)	1,150,000.02	—
Contract assets	Zhuobin Co., Ltd. * (卓賓有限責任公司)	—	5,235,808.88
Contract assets	Xinjiang TBEA Loulan New Material Technology Co., Ltd. (新疆特變電工樓蘭新材料技術有限公司)	—	1,414,217.90
Contract assets	TBEA Shenyang Transformer Group Co., Ltd. (特變電工瀋陽變壓器集團有限公司)	—	566,320.00
Contract assets	TBEA Technology Investment Co., Ltd. (特變電工科技投資有限公司)	—	165,856.94
Contract assets	TBEA Co., Ltd. (特變電工股份有限公司)	—	60,000.00
Contract assets	Xinjiang Transformers Factory of TBEA Co., Ltd. (特變電工股份有限公司新疆變壓器廠)	57,000.00	—
Contract assets	Guyang County Changlan Wind Power Co., Ltd. (固陽縣長嵐風力發電有限公司)	22,070,896.69	—
Dividends receivable	Jiangyong Shenghua Energy Development Co., Ltd. (江永晟華能源開發有限公司)	—	26,004,490.26
Dividends receivable	Wuling Jiangyong Power Co., Ltd. (五凌江永電力有限公司)	—	23,408,614.25
Dividends receivable	Daoxian Clean Energy Development Co., Ltd. (道縣清潔能源開發有限公司)	—	14,281,884.40
Dividends receivable	Jiangyong Clean Energy Development Co., Ltd. (江永清潔能源開發有限公司)	—	13,045,121.44
Dividends receivable	Turpan TBEA New Energy Co., Ltd. (吐魯番特變電工新能源有限公司)	—	8,450,692.22

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(III) Balance of transactions with related parties (continued)

1. Receivables (continued)

Items	Related party	Closing balance	Opening balance
Dividends receivable	Wujiaqu Xinte Energy Co., Ltd. (五家渠新特能源有限責任公司)	—	1,718,764.69
Dividends receivable	Sichuan Ganzi Datang International New Energy Co., Ltd. (四川甘孜大唐國際新能源有限責任公司)	—	1,542,082.78
Dividends receivable	Wujiaqu TBEA PV Power Technology Co., Ltd. (五家渠特變電工光電科技有限責任公司)	—	790,536.72
Prepayments	Xinjiang TBEA Electrical Industry Cultural Tourism Co., Ltd. (新疆特變電工工業文化旅遊有限責任公司)	—	58,333.00
Prepayments	Xinjiang Transformers Factory of TBEA Co., Ltd. (特變電工股份有限公司新疆變壓器廠)	1,700,353.98	—
Prepayments	TBEA Shandong Luneng Taishan Cable Co., Ltd. (特變電工山東魯能泰山電纜有限公司)	695,300.00	—
Prepayments	Tianjin Sanyang Silu Commercial Factoring Co., Ltd. (天津三陽絲路商業保理有限公司)	674,330.00	—
Prepayments	TBEA International Engineering Co., Ltd. (特變電工國際工程有限公司)	35,800,862.46	—
Prepayments	Xinjiang Transformers Factory of TBEA Co., Ltd. (Zhongte Branch Company) (特變電工股份有限公司新疆變壓器廠 (中特分公司))	31,402,200.00	—
Prepayments	TBEA Co., Ltd. (Engineering company project management) (特變電工股份有限公司(工程公司項目管理))	9,620,422.98	—
Prepayments	Tianjin TBEA Transformer Co., Ltd. (天津市特變電工變壓器有限公司)	7,887,000.00	—
Prepayments	TBEA Yunji High-voltage Switch Co., Ltd. (特變電工雲集高壓開關有限公司)	439,823.01	—
Other non-current assets	Tianjin TBEA Transformer Co., Ltd. (天津市特變電工變壓器有限公司)	15,101,100.00	—
Other non-current assets	TBEA Co., Ltd. (特變電工股份有限公司)	—	14,780,000.00
Other non-current assets	TBEA Yunji High-voltage Switch Co., Ltd. (特變電工雲集高壓開關有限公司)	—	2,649,557.52



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(III) Balance of transactions with related parties (continued)

1. Receivables (continued)

Items	Related party	Closing balance	Opening balance
Other non-current assets	TBEA Yunji Electrical Power and Equipment Co., Ltd.* (特變電工雲集電氣有限公司)	678,000.00	—
Other non-current assets	Nanjing Electric Power Research and Automation Co., Ltd. (南京電研電力自動化股份有限公司)	17,500.00	—
Other receivables	TBEA Co., Ltd. (特變電工股份有限公司)	14,703.81	31,463.02
Other receivables	Xinjiang Joinworld Co., Ltd. (新疆眾和股份有限公司)	—	10,000.00
Other receivables	Xuyi High Drive Wind Power Co., Ltd. (盱眙高傳風力發電有限公司)	292,000.00	—
Other receivables	Gong'an Zhurui Shengxin New Energy Co., Ltd. (公安縣竹瑞晟鑫新能源有限公司)	1,460,165.00	—
Notes receivable	Xinjiang Joinworld Co., Ltd. (新疆眾和股份有限公司)	402,652.25	—
Total		155,882,602.66	132,798,580.10

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(III) Balance of transactions with related parties (continued)

2. Payables

Item	Related party	Book balance at the end of the period	Book balance at the beginning of the period
Accounts payable	Tianjin Sanyang Silu Commercial Factoring Co., Ltd. (天津三陽絲路商業保理有限公司)	279,330,774.46	1,110,893,159.64
Accounts payable	Zhongsilu Construction Investment Group Co., Ltd. (中絲路建設投資集團有限公司)	8,751,071.29	149,848,909.36
Accounts payable	TBEA International Engineering Co., Ltd. (特變電工國際工程有限公司)	153,080,474.98	97,245,593.86
Accounts payable	Xinjiang TBEA International Package Services Co., Ltd. (新疆特變電工國際成套工程承包有限公司)	75,635,117.88	82,841,502.35
Accounts payable	Nanjing Electric Power Research and Automation Co., Ltd. (南京電研電力自動化股份有限公司)	18,925,647.26	49,167,816.24
Accounts payable	Inner Mongolia TBEA Energy Equipment Co., Ltd. (內蒙古特變電工能源裝備有限公司)	19,670,301.90	46,763,554.65
Accounts payable	TBEA (Shenyang) Electrical Technology Co., Ltd. (特變電工(瀋陽)電氣科技有限公司)	—	38,771,051.08
Accounts payable	Xinjiang Tianchi Energy Sales Co., Ltd. (新疆天池能源銷售有限公司)	—	29,054,360.93
Accounts payable	TBEA Co., Ltd. (特變電工股份有限公司)	105,525.00	22,382,848.85
Accounts payable	TBEA Hunan Electrical Power and Equipment Co., Ltd. (特變電工湖南電氣有限公司)	5,123,094.36	12,357,813.99
Accounts payable	TBEA Xinjiang Energy Co., Ltd. (特變電工新疆能源有限公司)	6,416,490.00	10,030,391.20
Accounts payable	TBEA Yunji Electrical Power and Equipment Co., Ltd. (特變電工雲集電氣有限公司)	9,362,753.36	9,744,490.39
Accounts payable	Tianjin TBEA Transformer Co., Ltd. (天津市特變電工變壓器有限公司)	17,235,617.96	6,672,530.31
Accounts payable	Xinjiang Joinworld Co., Ltd. (新疆眾和股份有限公司)	—	5,775,484.16
Accounts payable	TBEA Group (Tianjin) New Energy Technology Co., Ltd. (特變電工集團(天津)新能源科技有限公司)	—	3,850,251.86
Accounts payable	TBEA Technology Investment Co., Ltd. (特變電工科技投資有限公司)	—	3,400,791.23



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(III) Balance of transactions with related parties (continued)

2. Payables (continued)

Item	Related party	Book balance at the end of the period	Book balance at the beginning of the period
Accounts payable	TBEA Shenyang Transformer Group Co., Ltd. (特變電工瀋陽變壓器集團有限公司)	—	3,110,600.00
Accounts payable	Zhongsilu Design & Consulting Co., Ltd. (中絲路設計諮詢有限公司)	1,400,000.00	2,990,733.10
Accounts payable	TBEA Shandong Luneng Taishan Cable Co., Ltd. (特變電工山東魯能泰山電纜有限公司)	2,406,598.14	2,683,996.14
Accounts payable	TBEA Yunji High-voltage Switch Co., Ltd. (特變電工雲集高壓開關有限公司)	1,758,800.00	1,785,000.00
Accounts payable	Zhongjiang Logistics Co., Ltd. (中疆物流有限責任公司)	1,500,000.00	1,500,000.00
Accounts payable	TBEA Shenyang Electric Power Survey & Design Co., Ltd. (特變電工瀋陽電力勘测 設計有限公司)	—	861,058.58
Accounts payable	Xinjiang Zhundong TBEA Energy Co., Ltd. (新疆准東特變能源有限責任公司)	16,915,283.91	676,901.51
Accounts payable	Xinjiang Changte Power Transmission and Transformation Devices Co., Ltd. (新疆昌特輸變電配件有限公司)	617,904.46	617,904.46
Accounts payable	Xinjiang TBEA Automatic Control Equipment Co., Ltd. (新疆特變電工自控設備有限公司)	85,006.65	494,156.45
Accounts payable	Changji Hui Autonomous Prefecture TBEA Employee Training Center (昌吉回族自治州特變電工職業培訓中心)	245,323.50	248,568.58
Accounts payable	Xinjiang Tebian Group Co., Ltd. (新疆特變電工集團有限公司)	—	162,000.00
Accounts payable	Xinjiang Communications Construction Group Co., Ltd. (新疆交通建設集團股份有限公司)	—	4,978.00
Accounts payable	Xinjiang Tebian Group Logistics Co., Ltd. (新疆特變電工集團物流有限公司)	777.30	777.27
Accounts payable	TBEA Group Finance Co., Ltd. (特變電工集團財務有限公司)	160.00	160.00
Accounts payable	TBEA Xinjiang Cable Co., Ltd. (特變電工新疆電纜有限公司)	537.77	0.02

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(III) Balance of transactions with related parties (continued)

2. Payables (continued)

Item	Related party	Book balance at the end of the period	Book balance at the beginning of the period
Accounts payable	TBEA (Deyang) Cable Co., Ltd. (特變電工(德陽)電纜股份有限公司)	0.01	0.01
Accounts payable	Xinjiang Tianchi Energy Co., Ltd. (新疆天池能源有限責任公司)	24,274,533.00	—
Accounts payable	TBEA Jing-Jin-Ji Intelligence Technology Co., Ltd. (特變電工京津冀智能科技有限公司)	9,845,526.08	—
Accounts payable	TBEA Shenyang Electric Power Survey & Design Co., Ltd. Tianjin Branch (特變電工瀋陽電力勘測設計有限公司 天津分公司)	3,671,249.36	—
Accounts payable	TBEA Co., Ltd. (Engineering Company Project Management) (特變電工股份有限公司 (工程公司項目管理))	11,116,954.31	—
Accounts payable	Xinjiang Tebian Group Co., Ltd. Changji Electrical Power and Equipment Branch (新疆特變電工集團有限公司昌吉電氣分公司)	82,000	—
Accounts payable	TBEA Co., Ltd. Xinjiang Cable Factory (特變電工股份有限公司新疆線纜廠)	0.31	—
Notes payable	TBEA Co., Ltd. Xinjiang Transformer Factory (特變電工股份有限公司新疆變壓器廠)	32,730,650.25	—
Notes payable	TBEA International Engineering Co., Ltd. (特變電工國際工程有限公司)	13,845,673.34	—
Notes payable	TBEA Technology Investment Co., Ltd. (特變電工科技投資有限公司)	1,068,440.00	—
Notes payable	TBEA Shandong Luneng Taishan Cable Co., Ltd. (特變電工山東魯能泰山電纜 有限公司)	15,241,580.46	—
Notes payable	TBEA Xinjiang Energy Co., Ltd. (特變電工新疆能源有限公司)	32,145,285.00	—
Notes payable	TBEA Yunji Electrical Power and Equipment Co., Ltd. (特變電工雲集電氣有限公司)	7,562,084.37	—
Notes payable	Tianjin TBEA Transformer Co., Ltd. (天津市特變電工變壓器有限公司)	45,784,516.50	—



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

(III) Balance of transactions with related parties (continued)

2. Payables (continued)

Item	Related party	Book balance at the end of the period	Book balance at the beginning of the period
Notes payable	Xinjiang TBEA Automatic Control Equipment Co., Ltd. (新疆特變電工自控設備有限公司)	125,000.00	—
Notes payable	Xinjiang Tianchi Energy Sales Co., Ltd. (新疆天池能源銷售有限公司)	40,403,270.40	—
Notes payable	Xinjiang Tianchi Energy Co., Ltd.* (新疆天池能源有限責任公司)	32,897,379.00	—
Notes payable	Xinjiang Joinworld Co., Ltd. (新疆眾和股份有限公司)	8,988,628.90	—
Notes payable	Xinjiang Zhundong TBEA Energy Co., Ltd. (新疆准東特變能源有限責任公司)	6,165,075.20	—
Notes payable	Liaoning Hanwei International Logistics Co., Ltd. (遼寧漢威國際物流有限公司)	1,446,376.85	—
Notes payable	Nanjing Electric Power Research and Automation Co., Ltd. (南京電研電力自動化股份有限公司)	36,675,180.64	—
Notes payable	Inner Mongolia TBEA Energy Equipment Co., Ltd. (內蒙古特變電工能源裝備有限公司)	34,068,632.87	—
Notes payable	TBEA Hunan Electrical Power and Equipment Co., Ltd. (特變電工湖南電氣有限公司)	8,299,786.00	—
Notes payable	TBEA Jing-Jin-Ji Intelligence Technology Co., Ltd. (特變電工京津冀智能科技有限公司)	21,165,560.00	—
Notes payable	TBEA Shenyang Transformer Group Co., Ltd. (特變電工瀋陽變壓器集團有限公司)	1,546,500.00	—
Notes payable	TBEA Xinjiang Cable Co., Ltd. (特變電工新疆電纜有限公司)	1,735,739.10	—
Notes payable	TBEA Yunji High-voltage Switch Co., Ltd. (特變電工雲集高壓開關有限公司)	523,200.00	—
Notes payable	Xinjiang TBEA International Package Services Co., Ltd. (新疆特變電工國際成套工程承包有限公司)	15,271,995.44	—
Notes payable	Zhongsilu Construction Investment Group Co., Ltd. (中絲路建設投資集團有限公司)	4,800,000.00	—
Contract liabilities	Xuyi High Drive Wind Power Co., Ltd. * (盱眙高傳風力發電有限公司)	—	25,838,172.32

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

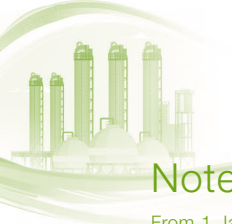
(III) Balance of transactions with related parties (continued)

2. Payables (continued)

Item	Related party	Book balance at the end of the period	Book balance at the beginning of the period
Contract liabilities	Chongren County Huafeng Power Generation Co., Ltd. (崇仁縣華風發電有限公司)	—	2,923,734.61
Contract liabilities	Wuqi County Huaguang New Energy Co., Ltd. (吳起縣華光新能源有限公司)	281,861.64	310,296.77
Contract liabilities	TBEA (Tianjin) Smart Energy Management Co., Ltd. (特變電工(天津)智慧能源管理有限公司)	—	54,817.70
Contract liabilities	China Radio and Television Xinjiang Network Co., Ltd. (中國廣播電視新疆網絡股份有限公司)	—	2,652.11
Contract liabilities	TBEA Technology Investment Co., Ltd. (特變電工科技投資有限公司)	8,162.74	—
Contract liabilities	Hunan Aite New Energy Technology Co., Ltd. (湖南艾特新能源科技有限公司)	283,500.00	—
Other payables	Tianjin Sanyang Silu Commercial Factoring Co., Ltd. (天津三陽絲路商業保理有限公司)	186,776,628.56	79,479,836.75
Other payables	Urumqi Mingrui Guangsheng Power Co., Ltd. (烏魯木齊明瑞廣晟發電有限公司)	4,118,706.56	4,118,706.56
Other payables	TBEA Co., Ltd. (特變電工股份有限公司)	336,133.48	440,940.83
Other payables	Xinjiang TBEA International Package Services Co., Ltd. (新疆特變電工國際成套工程承包有限公司)	128,000.00	88,000.00
Total		1,221,981,070.55	1,807,194,541.87

(IV) Related-party commitment

Nil.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

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XI. SHARE-BASED PAYMENT

Nil.

XII. CONTINGENCIES

1. Material contingent liabilities arising from pending lawsuits or arbitration: Nil.
2. Contingent liabilities arising from provision of external guarantees: Nil.
3. Other contingent liabilities: Nil.
4. As at 30 June 2025, the Group did not have other material contingencies.

XIII. COMMITMENTS

1. Significant commitments

As at 30 June 2025, the amount of contingent liabilities of the Group arising from the guarantees under bank letters of guarantee issued was equivalent to RMB2,907,901,046.29 at the benchmark exchange rate at the end of the period, with maturity in 2029 at the latest.

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XIII. COMMITMENTS (continued)

2. Information of mortgaged assets

Entity mortgaging assets	Mortgagee	Category of mortgaged assets	Appraised asset value/Original book value	Project of mortgage/guarantee
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	China Development Bank Xinjiang Uyghur Autonomous Region Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Industrial and Commercial Bank of China Limited Xinjiang Uyghur Autonomous Region Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Agricultural Bank of China Changji Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	The Export-Import Bank of China Xinjiang Uyghur Autonomous Region Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Bank of China Xinjiang Uyghur Autonomous Region Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Bank of Communications Xinjiang Uyghur Autonomous Region Branch	Land use right, machinery and equipment of the 200,000-ton-per-annum high-end electronic-grade polysilicon green low-carbon circular economy construction project in Xinte Silicon New Materials Co., Ltd. (新特硅基新材料有限公司) (Phase I)	5,069,485,479.55	The 200,000-ton-per-annum high-end electronic-grade polysilicon green low-carbon circular economy construction project in the Xinte Silicon New Materials Co., Ltd. (Phase I) (新特硅基新材料有限公司年產20萬噸高端電子級多晶硅綠色低碳循環經濟建設項目(一期))
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Industrial Bank Urumqi Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	China Minsheng Bank Urumqi Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	China Merchants Bank Urumqi Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	China CITIC Bank Urumqi Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Bank of Urumqi Changji Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Bank of Kunlun Urumqi Branch			

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

XIII. COMMITMENTS (continued)

2. Information of mortgaged assets (continued)

Entity mortgaging assets	Mortgagee	Category of mortgaged assets	Appraised asset value/Original book value	Project of mortgage/guarantee
Baotou Guangyi Solar Power Co., Ltd. (包頭市光羿太陽能發電有限責任公司)	China Development Bank Xinjiang Uygur Autonomous Region Branch	Fixed assets after the completion of Baotou Guangyi Solar Power Co., Ltd. Shiguai District Leader No. 1 100MWp PV Project	576,924,537.32	Baotou Guangyi Solar Power Co., Ltd. Shiguai District Leader No. 1 100MWp PV Project (包頭市光羿太陽能發電有限責任公司石拐區領跑者1號100MWp光伏項目)
Burqin County Jingneng Wind Power Co., Ltd. (布爾津縣晶能風力發電有限責任公司)	Agricultural Bank of China Burqin Sub-branch	Fixed assets after the completion of Xinjiang Zhundong Base TBEA Burqin 150MW Wind Power Plant	1,020,523,593.44	Xinjiang Zhundong Base TBEA Burqin 150MW Wind Power Plant Project (新疆准東基地特變電工布爾津縣150MW風電場項目)
Dunhuang Teneng New Energy Co., Ltd. * (敦煌市特能新能源有限公司)	Bank of China Jiuquan Branch	Fixed assets after the completion of TBEA Dunhuang 20MW Grid-Parity PV Power Project and 100MW On-Grid PV Power Project	564,659,343.85	TBEA Dunhuang 20MW Grid-Parity PV Power Project and TBEA Dunhuang 100MW On-Grid PV Power Project (特變電工敦煌20MW平價光伏發電項目、特變電工敦煌100MW並網光伏發電項目)
Guyang County Wind Power Generation Co., Ltd. (固陽縣風源發電有限責任公司)	China Development Bank Xinjiang Uygur Autonomous Region Branch	Fixed assets and land use rights after the completion of TBEA Guyang Xingshunxi Wind Power Plant Phase I 100MW Wind Power Project and TBEA Guyang Xingshunxi PV Power Plant 20MWp Integrated Wind Power and PV Power Plant PV Power Generation Project	678,289,220.46	TBEA Guyang Xingshunxi Wind Power Plant Phase I 100MW Wind Power Project and TBEA Guyang Xingshunxi PV Power Plant 20MWp Integrated Wind Power and PV Power Plant PV Power Generation Project (特變電工固陽興順西風電場一期100MW風電工程項目、特變電工固陽興順西光伏電場20MWp風光同場太陽能光伏發電工程項目)
Hami Fengshang Power Generation Co., Ltd. (哈密風尚發電有限責任公司)	China Development Bank Xinjiang Uygur Autonomous Region Branch	Lands, buildings, machinery and equipment after the completion of Xinjiang Hami Wind Power Base Phase II Jingxia No. 6 Wind Power Plant Block B 200MW Project	1,326,787,463.65	Xinjiang Hami Wind Power Base Phase II Jingxia No. 6 Wind Power Plant Block B 200MW Project (新疆哈密風電基地二期項目景峽第六風電場B區200MW項目建設)
Heze Mudan District Haofeng New Energy Co., Ltd. (菏澤市牡丹區浩風新能源有限公司)	Industrial and Commercial Bank of China Limited Yanggu Sub-branch	Assets (machinery and equipment) after the completion of Haofeng New Energy Mudan District Wanghao Village 50MW Wind Power Project	376,069,986.04	Haofeng New Energy Mudan District Wanghao Village 50MW Wind Power Project (浩風新能源牡丹區王浩屯50MW風電項目)

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XIII. COMMITMENTS (continued)

2. Information of mortgaged assets (continued)

Entity mortgaging assets	Mortgagee	Category of mortgaged assets	Appraised asset value/Original book value	Project of mortgage/guarantee
Heqing Huineng Power Generation Co., Ltd. (鶴慶匯能發電有限公司)	China Development Bank Xinjiang Uygur Autonomous Region Branch	Fixed assets after the completion of Yunnan Province Dali Prefecture Heqing Huangping On-grid PV Power Project	177,516,832.28	Yunnan Dali Prefecture Heqing Huangping On-grid PV Power Project (雲南省大理州鶴慶縣黃坪並網光伏電站項目)
Liaocheng Shenxian Huahao New Energy Development Co., Ltd. (聊城莘縣華浩新能源發展有限公司)	Industrial and Commercial Bank of China Limited Yanggu Sub-branch	Fixed assets after the completion of Liaocheng Guancheng 101MW/204MWh Electrochemical Energy Storage Project	365,594,305.35	Liaocheng Guancheng 101MW/204MWh Electrochemical Energy Storage Project (聊城縣觀城101MW/204MWh電化學儲能項目)
Shache County Xinshang Energy Power Generation Co., Ltd. (莎車縣新尚能源發電有限公司)	Industrial and Commercial Bank of China Limited Kashgar Branch	Fixed assets after the completion of Xinshang Energy Shache 100MW PV On-grid Power and Energy Storage Facilities Project	462,663,830.60	Xinshang Energy Shache 100MW PV On-grid Power and Energy Storage Facilities Project (新尚能源莎車100兆瓦光伏並網發電和儲能設施項目)
Xifeng Rongsheng Power New Energy Co., Ltd. (西豐縣榮晟電力新能源有限公司)	SPD Bank Tieling Branch	Fixed assets (properties, machinery and equipment) and land use rights after the completion of Tieling Xifeng County Baiyu Township Wind Power Project	532,244,425.71	Tieling Xifeng County Baiyu Township Wind Power Project (鐵嶺市西豐縣柏榆鎮風電項目)
Xilingol Xinyuan New Energy Co., Ltd. (錫林郭勒新圓新能源有限公司)	China Development Bank Xinjiang Uygur Autonomous Region Branch	Fixed assets after the completion of Xinyuan Zhengxiangbai Banner Ultrahigh Voltage 200,000kW Wind Power Plant	1,371,293,217.35	Xinyuan Zhengxiangbai Banner Ultrahigh Voltage 200,000kW Wind Power Plant under the Poverty Alleviation Program (新圓正鑛白旗特高壓外送20萬千瓦風電場扶貧開發建設項目)
Yu County Huaguang PV Power Generation Co., Ltd. (孟縣華光光伏發電有限公司)	China Development Bank Xinjiang Uygur Autonomous Region Branch	Fixed assets after the completion of Shanxi Yangquan Deep Mining Area National Leading PV Power Demonstration Project	681,740,373.11	Shanxi Yangquan Deep Mining Area National Leading PV Power Demonstration Project (山西陽泉市採煤深陷區國家先進技術光伏發電示範基地項目)

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

XIII. COMMITMENTS (continued)

2. Information of mortgaged assets (continued)

Entity mortgaging assets	Mortgagee	Category of mortgaged assets	Appraised asset value/Original book value	Project of mortgage/guarantee
Zhengxiangbaiqi Fengsheng Power Generation Co., Ltd. (正鑲白旗風盛發電有限公司)	China Development Bank Xinjiang Uygur Autonomous Region Branch	Fixed assets and land use rights after the completion of Fengsheng Zhengxiangbaiqi Ultra-high Voltage 275,000kW Wind Power Plant Project under the Poverty Alleviation Program and Fengsheng Zhengxiangbaiqi Ultra-high Voltage 200,000kW Wind Power Plant Project under the Poverty Alleviation Program	3,167,802,362.32	Fengsheng Zhengxiangbaiqi Ultra-high Voltage 275,000kW Wind Power Plant Project under the Poverty Alleviation Program and Fengsheng Zhengxiangbaiqi Ultra-high Voltage 200,000kW Wind Power Plant Project under the Poverty Alleviation Program (風盛正鑲白旗特高壓外送27.5萬千瓦風電場扶貧開發建設項目、風盛正鑲白旗特高壓外送20萬千瓦風電場扶貧開發建設項目)
Zhongmin (Mulei) Wind Power Co., Ltd. (中閩(木壘)風電有限公司)	Industrial and Commercial Bank of China Limited Changji Uygur Autonomous Region Branch	Fixed assets after the completion of Zhongmin Wind Power Mulei Dashitou 200MW Wind Power Project	1,548,937,154.73	Zhongmin (Mulei) Wind Power Co., Ltd. Mulei Dashitou 200MW Wind Power Project (中閩(木壘)風電有限公司木壘大石頭200MW風力發電項目)
Wenxi County Xinjia New Energy Co., Ltd. (聞喜縣新佳新能源有限公司)	Bank of China	Fixed assets after the completion of Wenxi County Liyuan Town 100,000kW PV Power Project	344,348,044.66	TBEA Yuncheng Wenxi County Liyuan Town 100,000kW PV Power Project (特變電工運城市聞喜縣禮元鎮10萬千瓦光伏發電項目)

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
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XIII. COMMITMENTS (continued)

3. Information of pledged assets

Entity pledging assets	Pledgee	Category of pledged assets	Appraised asset value/Original book value	Project of pledge/guarantee
Urumqi Junsheng Wind Power Generation Co., Ltd. (烏魯木齊縣君盛風力發電有限公司)	China Development Bank Xinjiang Uyghur Autonomous Region Branch	The right to tariff after the completion and all revenue under the project	38,337,738.78	Urumqi Toli 100MW Wind Power Project (烏魯木齊縣托里鄉100MW風電項目)
Baotou Guangyi Solar Power Co., Ltd. (包頭市光羿太陽能發電有限公司)	China Development Bank Xinjiang Uyghur Autonomous Region Branch	The right to tariff after the completion and all revenue under the project	99,764,108.81	Baotou Guangyi Solar Power Co., Ltd. Shiguai District Leader No. 1 100MWp PV Project (包頭市光羿太陽能發電有限公司石拐區領跑者1號100MWp光伏項目)
Burqin County Jingneng Wind Power Co., Ltd. (布爾津縣晶能風力發電有限公司)	Agricultural Bank of China Limited Burqin Sub-branch	The right to tariff after the completion and all revenue under the project	398,782,257.83	Xinjiang Zhundong Base TBEA Burqin 150MW Wind Power Plant Project (新疆准東基地特變電工布爾津縣150MW風電場項目)
Dunhuang Teneng New Energy Co., Ltd. (敦煌市特能新能源有限公司)	Bank of China Limited Jiuquan Branch	The right to tariff after the completion and all revenue under the project	7,709,648.54	TBEA Dunhuang 20MW Grid-Parity PV Power Project (特變電工敦煌20MW平價光伏發電項目)
Guyang County Wind Power Generation Co., Ltd. (固陽縣風源發電有限公司)	China Development Bank Xinjiang Uyghur Autonomous Region Branch	The right to tariff after the completion and all revenue under the project	443,872,990.65	TBEA Guyang Xingshunxi Wind Power Plant Phase I 100MW Wind Power Project (特變電工固陽興順西風電場一期100MW風電工程項目)
Hami Fengshang Power Generation Co., Ltd. (哈密風尚發電有限公司)	China Development Bank Xinjiang Uyghur Autonomous Region Branch	The right to tariff after the completion and all revenue under the project	869,096,736.70	Xinjiang Hami Wind Power Base Phase II Jingxia No. 6 Wind Power Plant Block B 200MW Project (新疆哈密風電基地二期項目景欣第六風電場B區200MW工程)
Hami Shisanjianfang Xinte Wind Energy Co., Ltd. (哈密十三間房新特風能有限公司)	Bank of China Hami Branch	The right to tariff after the completion and all revenue under the project	1,667,100.10	TBEA Shisanjianfang Wind Power Plant Phase I 49.5MW Project (特變電工十三間房風電場一期49.5MW項目)
Hami Zhenchao Wind Power Co., Ltd. (哈密市振超風力發電有限公司)	Bank of China Limited Hami Branch	The right to tariff after the completion and all revenue under the project	14,378,595.98	Yizhou District Luotuoquanzi 15MW Distributed Wind Power Project (伊州區駱駝圈子15MW分散式風電項目)
Heze Mudan District Haofeng New Energy Co., Ltd. (菏澤市牡丹區浩風新能源有限公司)	Industrial and Commercial Bank of China Limited Yanggu Sub-branch	The right to tariff after the completion and all revenue under the project	100,616,718.08	Haofeng New Energy Mudan District Wanghao Village 50MW Wind Power Project (浩風新能源牡丹區王浩屯50MW風電項目)

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

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XIII. COMMITMENTS (continued)

3. Information of pledged assets (continued)

Entity pledging assets	Pledgee	Category of pledged assets	Appraised asset value/Original book value	Project of pledge/guarantee
Heqing Huineng Power Generation Co., Ltd. (鶴慶匯能發電有限公司)	China Development Bank Xinjiang Uygur Autonomous Region Branch	The right to tariff after the completion and all revenue under the project	113,434,749.73	Yunnan Dail Prefecture Heqing Huangping On-grid PV Power Project (雲南省大理州鶴慶縣黃坪並網光伏電站項目)
Kalpin County Kete New Energy Co., Ltd. (柯坪縣柯特新能源有限公司)	China Development Bank Xinjiang Uygur Autonomous Region Branch	The right to tariff after the completion and all revenue under the project	530,636.55	Kete New Energy Kalpin County 100MW PV and Energy Storage and Power Generation Project (柯特新能源柯坪縣100兆瓦光伏及儲能發電項目)
Liaocheng Shenxian Huahao New Energy Development Co., Ltd. (聊城莘縣華浩新能源發展有限公司)	Industrial and Commercial Bank of China Limited Yanggu Sub-branch	The right to tariff after the completion and all revenue under the project	22,520,195.00	Liaocheng County Guancheng 101MW/204MWh Electrochemical Energy Storage Project (聊城縣觀城101MW/204MWh電化學儲能項目)
Luyi Fengyi Power Co., Ltd. (鹿邑縣風易發電有限公司)	China Construction Bank Zhoukou Branch	The right to tariff after the completion and all revenue under the project	20,998,786.28	Luyi Mudian 20MW Distributed Wind Power Project (鹿邑縣穆店20MW分散式風電項目)
Mulei County Jiayu Fengsheng Power Generation Co., Ltd. (木壘縣嘉裕風晟發電有限公司)	Bank of China Limited Xinjiang Uygur Autonomous Region Branch	The right to tariff after the completion and all revenue under the project	21,327,626.89	TBEA Mulei Dashitou 200MW Wind Power Project (特變電工木壘大石頭200MW風力發電項目)
Mulei County Xinte Huineng Power Generation Co., Ltd. (木壘縣新特匯能發電有限公司)	Bank of China Limited Xinjiang Uygur Autonomous Region Branch	The right to tariff after the completion and all revenue under the project	297,813,675.21	TBEA Mulei Laojunmiao 100MW Wind Power Project (特變電工木壘老君廟100MW風力發電項目)
Nanning Huineng Wind Power Co., Ltd. (南寧匯能風力發電有限公司)	Bank of China Limited Nanning Branch	The right to tariff after the completion and all revenue under the project	2,718,089.00	Nanning Xingning District Kunlun Town Tanle Wind Power Plant Project (南寧市興寧區昆侖鎮壇勒風電場工程項目)
Ruoqiang Zhuo Shang New Energy Co., Ltd. (若羌縣卓尚新能源有限公司)	Bank of China Limited Bayingol Mongolian Autonomous Prefecture Branch	The right to tariff after the completion and all revenue under the project	1,488,120.60	Ruoqiang Milan Wind District 50,000kW Wind Power Project (若羌縣米蘭風區5萬千瓦風電項目)
Yarkant County Xinshang Energy Power Generation Co., Ltd. (莎車縣新尚能源發電有限公司)	Industrial and Commercial Bank of China Limited Kashgar Branch	The right to tariff after the completion and all revenue under the project	304,285.08	Xinshang Energy Yarkant 100MW PV Grid-connected Power and Energy Storage Facilities Project (新尚能源莎車100兆瓦光伏並網發電和儲能設施項目)

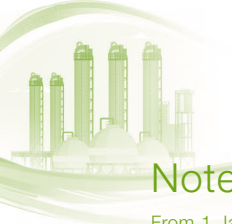
Notes to the Financial Statements

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XIII. COMMITMENTS (continued)

3. Information of pledged assets (continued)

Entity pledging assets	Pledgee	Category of pledged assets	Appraised asset value/Original book value	Project of pledge/guarantee
Suichuan County Huafeng Power Generation Co., Ltd. (遂川縣華風發電有限公司)	Bank of China Limited Suichuan Branch	The right to tariff after the completion and all revenue under the project	16,003,165.08	Suichuan County Jiaoziding Distributed Wind Power Project (遂川縣轎子頂分散式風電項目)
Wenxi County Xinjia New Energy Co., Ltd. (聞喜縣新佳新能源有限公司)	Bank of China Limited Yuncheng Branch	The right to tariff after the completion and all revenue under the project	4,727,804.00	TBEA Yuncheng Wenxi County Liyuan Town 100,000kW PV Power Project and Auxiliary Output Project (特變電工運城市聞喜縣禮元鎮10萬千瓦光伏發電項目及配套輸出項目)
Xifeng Rongsheng Power New Energy Co., Ltd. (西豐縣榮晟電力新能源有限公司)	Shanghai Pudong Development Bank Co., Ltd. Tieling Branch	The right to tariff after the completion and all revenue under the project	5,790,750.00	Tieling Xifeng County Baiyu Township Wind Power Project (鐵嶺市西豐縣柏榆鎮風電項目)
Xilingol Xinyuan New Energy Co., Ltd. (錫林郭勒新圓新能源有限公司)	China Development Bank Xinjiang Uygur Autonomous Region Branch	The right to tariff after the completion and all revenue under the project	20,550,031.81	Xinyuan Zhengxiangbai Banner Ultrahigh Voltage 200,000kW Wind Power Plant Project (新圓正鑲白旗特高壓外送20萬千瓦風電場建設項目)
Yu County Huaguang PV Power Generation Co., Ltd. (孟縣華光光伏發電有限公司)	China Development Bank Xinjiang Uygur Autonomous Region Branch	The right to tariff after the completion and all revenue under the project	380,901,693.16	Shanxi Yangquan Coal Mining Subsidence Area National Leading PV Power Demonstration Base Jiajianao 100Mwp PV Power Project (山西陽泉市採煤沉陷區國家先進技術光伏發電示範基地賈家壩100Mwp光伏發電項目)
Zhengxiangbaiqi Fengsheng Power Generation Co., Ltd. (正鑲白旗風盛發電有限公司)	China Development Bank Xinjiang Uygur Autonomous Region Branch	The right to tariff after the completion and all revenue under the project	50,635,371.78	Fengsheng Zhengxiangbaiqi Ultrahigh Voltage 275,000kW Wind Power Plant Project under the Poverty Alleviation Program (風盛正鑲白旗特高壓外送27.5萬千瓦風電場項目(扶貧開發))
Zhongmin (Mulei) Wind Power Co., Ltd. (中閩(木壘)風電有限公司)	Industrial and Commercial Bank of China Limited Changji Hui Autonomous Prefecture Branch	The right to tariff after the completion and all revenue under the project	29,880,716.77	Zhongmin (Mulei) Wind Power Co., Ltd. Mulei Dashitou 200MW Wind Power Project (中閩(木壘)風電有限公司木壘大石頭200MW風力發電項目)
Wuwei Wusheng New Energy Technology Co., Ltd. (武威晟新能源科技有限公司)	Agricultural Bank of China Financial Leasing Co., Ltd.	The right to tariff after the completion and all revenue under the project	58,297,160.24	Wuwei 150 MW PV Power Project (武威晟150兆瓦光伏發電項目)



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

XIII. COMMITMENTS (continued)

3. Information of pledged assets (continued)

Entity pledging assets	Pledgee	Category of pledged assets	Appraised asset value/Original book value	Project of pledge/guarantee
Hami Huafeng New Energy Power Generation Co., Ltd. (哈密華風新能源發電有限公司)	China Merchants Bank Co., Ltd. Urumqi Branch	The right to tariff after the completion and all revenue under the project	382,772,241.46	Hami Southeast Shankou Region TBEA PV Power Project (哈密東南部山口區域特變電工光伏發電項目)

XIV. EVENTS AFTER THE BALANCE SHEET DATE

Nil.

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY

1. Accounts receivable

(1) Accounts receivable classified by bad debt provision method

Category	Book balance		Closing balance Provision for bad debts		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)	
Bad debt provision made on individual basis	—	—	—	—	—
Bad debt provision made on a portfolio basis	1,354,659,652.28	100.00	94,754,278.03	6.99%	1,259,905,374.25
Including: Portfolio of aging	1,354,659,652.28	100.00	94,754,278.03	6.99%	1,259,905,374.25
Portfolio of tariff and subsidies	—	—	—	—	—
Total	1,354,659,652.28	100.00	94,754,278.03	6.99%	1,259,905,374.25

Category	Book balance		Opening balance Provision for bad debts		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)	
Bad debt provision made on individual basis	—	—	—	—	—
Bad debt provision made on a portfolio basis	535,874,144.94	100.00	56,555,127.80	10.55	479,319,017.14
Including: Portfolio of aging	535,874,144.94	100.00	56,555,127.80	10.55	479,319,017.14
Portfolio of tariff and subsidies	—	—	—	—	—
Total	535,874,144.94	100.00	56,555,127.80	10.55	479,319,017.14

- 1) There were no accounts receivable with bad debt provision made on an individual basis at the end of the current period.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

1. Accounts receivable (continued)

(1) Accounts receivable classified by bad debt provision method (continued)

2) Accounts receivable with bad debt provision made on a portfolio basis

Aging	Accounts receivable	Closing balance Bad debt provision	Provision percentage (%)
Within 1 year (inclusive)	1,032,973,384.23	20,659,467.69	2.00
1 year to 2 years (inclusive)	117,329,964.36	5,866,498.21	5.00
2 years to 3 years (inclusive)	83,248,544.52	16,649,708.91	20.00
3 years to 4 years (inclusive)	96,397,373.75	28,919,212.13	30.00
4 years to 5 years (inclusive)	4,101,988.69	2,050,994.36	50.00
Over 5 years	20,608,396.73	20,608,396.73	100.00
Total	1,354,659,652.28	94,754,278.03	—

Aging	Accounts receivable	Opening balance Bad debt provision	Provision percentage (%)
Within 1 year (inclusive)	283,616,153.43	5,672,323.07	2.00
1 year to 2 years (inclusive)	86,881,015.37	4,344,050.77	5.00
2 years to 3 years (inclusive)	85,957,477.97	17,191,495.59	20.00
3 years to 4 years (inclusive)	52,137,473.73	15,641,242.12	30.00
4 years to 5 years (inclusive)	27,152,016.38	13,576,008.19	50.00
Over 5 years	130,008.06	130,008.06	100.00
Total	535,874,144.94	56,555,127.80	—

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

1. Accounts receivable (continued)

(2) Accounts receivable by aging based on recording dates

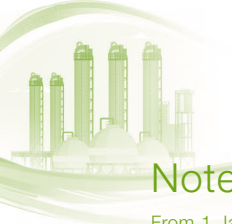
Aging	Closing balance	Opening balance
Within 1 year (inclusive)	1,032,973,384.23	283,616,153.43
1 year to 2 years (inclusive)	117,329,964.36	86,881,015.37
2 years to 3 years (inclusive)	83,248,544.52	85,957,477.97
3 years to 4 years (inclusive)	96,397,373.75	52,137,473.73
4 years to 5 years (inclusive)	4,101,988.69	27,152,016.38
Over 5 years	20,608,396.73	130,008.06
Total	1,354,659,652.28	535,874,144.94

(3) Bad debt provision for accounts receivable in the current period

Category	Opening balance	Accrued	Changes in the current period		Others	Closing balance
			Recovered or reversed	Carry-forward or written off		
Bad debt provision made on accounts receivable	56,555,127.80	38,199,150.23	—	—	—	94,754,278.03
Total	56,555,127.80	38,199,150.23	—	—	—	94,754,278.03

(4) Accounts receivable written off in the current period

Nil.



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

1. Accounts receivable (continued)

(5) Particulars of the top five of closing balances of accounts receivable presented by debtors

The aggregate amount of the top five of closing balances for other receivables presented by debtors was RMB676,570,872.21 in the current period, accounting for 93.92% of the total closing balance for other receivables, and aggregate amount of the closing balance of corresponding provision for bad debts was RMB182,656,377.39.

2. Other receivables

Items	Closing balance	Opening balance
Interests receivable	—	—
Dividends receivable	1,059,479,393.78	1,059,479,393.78
Other receivables	535,434,532.44	2,727,919,405.74
Total	1,594,913,926.22	3,787,398,799.52

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other receivables (continued)

2.1 Dividends receivable

(1) Dividends receivable by category

Items	Closing balance	Opening balance
Inner Mongolia Xinte Silicon Materials Co., Ltd. (内蒙古新特硅材料有限公司)	1,059,479,393.78	1,059,479,393.78
Total	1,059,479,393.78	1,059,479,393.78

(2) Significant dividends receivable with aging of over 1 year

Nil.

2.2 Other receivables

(1) Other receivables by nature

Nature	Book balance at the end of the period	Book balance at the beginning of the period
Advances	1,774,896.16	12,400,707.37
Margin and deposits	404,282.01	929,483.20
Related-party transactions	715,719,560.56	2,892,367,484.61
Daily cash advances	2,437,520.46	6,079,945.45
Others	0.00	35,071.09
Total	720,336,259.19	2,911,812,691.72



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other receivables (continued)

2.2 Other receivables (continued)

(2) *Bad debt provision for other receivables*

	Stage 1 12-month expected credit loss	Stage 2 Lifetime expected credit loss (without credit impairment)	Stage 3 Lifetime expected credit loss (with credit impairment)	Total
Bad debt provision				
Opening balance	—	183,893,285.98	—	183,893,285.98
Book balance of other receivables at the beginning of the period	—	—	—	—
— Transferred to Stage 2	—	—	—	—
— Transferred to Stage 3	—	—	—	—
— Reversed to Stage 2	—	—	—	—
— Reversed to Stage 1	—	—	—	—
Accrued in current period	—	1,008,440.77	—	1,008,440.77
Reversed in current period	—	—	—	—
Carry-forward in current period	—	—	—	—
Written off in current period	—	—	—	—
Other changes	—	—	—	—
Closing balance	—	184,901,726.75	—	184,901,726.75

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other receivables (continued)

2.2 Other receivables (continued)

(3) Other receivables by aging

Aging	Closing balance	Opening balance
Within 1 year (inclusive)	57,226,669.42	1,852,814,501.12
1 year to 2 years (inclusive)	301,880,940.44	663,559,632.92
2 years to 3 years (inclusive)	4,685,953.14	49,725,529.91
3 years to 4 years (inclusive)	56,903,190.70	345,713,027.77
4 years to 5 years (inclusive)	299,639,505.49	—
Over 5 years	—	—
Total	720,336,259.19	2,911,812,691.72

(4) Bad debt provision for other receivables

Category	Opening balance	Changes of the current period			Closing balance
		Accrued	Recovered or reversed	Carry-forward or written off	
Bad debt provision made on other receivables	183,893,285.98	1,008,440.77	—	—	184,901,726.75
Total	183,893,285.98	1,008,440.77	—	—	184,901,726.75

(5) Other receivables written off in the current period

Nil.

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other receivables (continued)

2.2 Other receivables (continued)

(6) Particulars of the top five of closing balances for other receivables presented by debtors

Name of entity	Nature of amount	Closing balance	Aging	Percentage of the closing balance of other receivables (%)	Closing balance of bad debt provision
Xinjiang Jingshuo New Material Co., Ltd. (新疆晶碩新材料有限公司)	Related-party transactions	381,439,796.78	Within 4 years	52.95	157,132,415.45
Liaocheng Shenxian Huahao New Energy Development Co., Ltd. (聊城莘縣華浩新能源發展有限公司)	Related-party transactions	170,089,722.20	Within 2 years	23.61	8,389,550.28
Shache County Xinshang Energy Power Generation Co., Ltd. (莎車縣新尚能源發電有限責任公司)	Related-party transactions	52,177,523.58	Within 2 years	7.24	2,572,913.07
Xinjiang Xinte Energy Construction Material Co., Ltd. (新疆新特新能建材有限公司)	Related-party transactions	41,297,178.27	Within 4 years	5.73	13,004,882.52
TBEA Zhangjiakou Energy Technology Co., Ltd. (特變電工張家口能源科技有限公司)	Related-party transactions	31,566,651.38	Within 2 years	4.38	1,556,616.07
Total	—	676,570,872.21	—	93.91	182,656,377.39

(7) Receivables related to government grants

Nil.

(8) Other receivables derecognized due to transfer of financial assets

Nil.

(9) Assets and liabilities arising from transfer of other receivables with continuing involvement

Nil.

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

3. Long-term equity investments

(1) Long-term equity investments by category

Items	Book balance	Closing balance Provision for impairment	Carrying amount
Investments in subsidiaries	18,086,474,879.05	—	18,086,474,879.05
Investments in associates	1,642,237,118.35	—	1,642,237,118.35
Total	19,728,711,997.40	—	19,728,711,997.40

Items	Book balance	Opening balance Provision for impairment	Carrying amount
Investments in subsidiaries	18,086,474,879.05	—	18,086,474,879.05
Investments in associates	—	—	—
Total	18,086,474,879.05	—	18,086,474,879.05

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

3. Long-term equity investments (continued)

(2) Investments in subsidiaries

Investee	Opening balance	Increase in current period	Decrease in current period	Closing balance	Provision for impairment accrued in current period	Balance of provision for impairment at the end of the period
TBEA Xinjiang Sunoasis Co., Ltd. (特變電工新疆新能源股份有限公司)	8,061,826,865.77	—	—	8,061,826,865.77	—	—
Inner Mongolia Xinte Silicon Materials Co., Ltd. (內蒙古新特硅材料有限公司)	2,883,844,119.55	—	—	2,883,844,119.55	—	—
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	4,410,237,418.53	—	—	4,410,237,418.53	—	—
Xinjiang Xinte Crystal Silicon Hightech Co., Ltd. (新疆新特晶體硅高科技有限公司)	1,611,154,048.70	600,000,000.00	—	2,211,154,048.70	—	—
Xinjiang Jingshuo New Material Co., Ltd. (新疆晶碩新材料有限公司)	26,098,976.97	—	—	26,098,976.97	—	—
Xinjiang Xinte Energy Construction Material Co., Ltd. (新疆新特能建材有限公司)	45,918,654.65	—	—	45,918,654.65	—	—
Xinjiang Xinte Xinneng Materials Co., Ltd. (新疆新特新材料檢測中心有限公司)	54,785,743.38	—	—	54,785,743.38	—	—
Xinjiang Shahai Green Energy Services Co., Ltd. (新疆沙海綠色能源服務有限公司)	5,744,429.15	—	—	5,744,429.15	—	—
Xinjiang Xinte Energy Logistic Co., Ltd. (新疆新特能源物流有限公司)	5,482,625.46	—	—	5,482,625.46	—	—
Xinjiang Information Technology Co., Ltd. (新疆知信科技有限公司)	37,954,251.07	—	—	37,954,251.07	—	—
Urumqi Strategic Emerging Industry Xinte Energy Leading Fund (LLP) (烏魯木齊戰略性新興產業新特能源引導基金(有限合夥))	600,000,000.00	—	600,000,000.00	—	—	—
TBEA Subic Co., Ltd. (特變電工蘇比克有限公司)	1,260,884.48	—	—	1,260,884.48	—	—
Changji Prefecture Shengding New Energy Power Generation Co., Ltd. (昌吉州盛鼎新能源發電有限公司)	202,323.61	—	—	202,323.61	—	—
Changji Prefecture Shengyu New Energy Power Generation Co., Ltd. (昌吉州盛裕新能源發電有限公司)	1,086,487.73	—	—	1,086,487.73	—	—
Urumqi Zhijun Wind Power Co., Ltd. (烏魯木齊志君風力發電有限公司)	154,220,000.00	—	—	154,220,000.00	—	—
CAMC – TBEA New Energy REIT (華夏特變電工新能源REIT)	186,192,000.00	—	—	186,192,000.00	—	—
Xinte Energy International Engineering Co., Ltd. (新特能源國際工程有限公司)	466,050.00	—	—	466,050.00	—	—
Total	18,086,474,879.05	600,000,000.00	600,000,000.00	18,086,474,879.05	—	—

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

3. Long-term equity investments (continued)

(3) Investments in associates and joint ventures

Investee	Opening balance	Increase in current period	Decrease in current period	Closing balance	Provision for impairment accrued in current period	Balance of provision for impairment at the end of the period
Xinjiang Zhundong TBEA Energy Co., Ltd. (新疆准東特變能源有限公司)	—	1,642,237,118.35	—	1,642,237,118.35	—	—
Total	—	1,642,237,118.35	—	1,642,237,118.35	—	—

4. Operating revenue and operating cost

(1) Operating revenue and operating cost

Items	Amount recognized in current period	
	Revenue	Cost
Main businesses	939,767,503.31	776,223,031.39
Other businesses	286,537,380.31	278,526,763.26
Total	1,226,304,883.62	1,054,749,794.65

Items	Amount recognized in previous period	
	Revenue	Cost
Main businesses	1,409,317,121.99	1,321,227,303.79
Other businesses	760,278,117.18	658,482,894.59
Total	2,169,595,239.17	1,979,710,198.38



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

4. Operating revenue and operating cost (continued)

(2) By business segment

Items	Amount recognized in current period	
	Revenue from main businesses	Cost from main businesses
Polysilicon and related products	104,036,474.92	189,706,636.61
Others	835,731,028.39	586,516,394.78
Total	939,767,503.31	776,223,031.39

Items	Amount recognized in previous period	
	Revenue from main businesses	Cost from main businesses
Polysilicon and related products	681,415,254.88	738,818,713.93
Others	727,901,867.11	582,408,589.86
Total	1,409,317,121.99	1,321,227,303.79

5. Investment income

Items	Amount recognized in current period	Amount recognized in previous period
Income from long-term equity investments under the cost method	—	1,816,009,831.89
Income of long-term equity investments under equity method	134,511,318.35	—
Investment income from disposal of long-term equity investments	31,663,876.95	—
Dividend income received in the period of holding other equity instrument investments	—	—
Investment income from financial and derivative instruments	-82,400,597.69	-6,656,251.07
Total	83,774,597.61	1,809,353,580.82

6. Others

Nil.

Notes to the Financial Statements

From 1 January 2025 to 30 June 2025
(The notes to the financial statements are presented in RMB, except as otherwise noted)

SUPPLEMENTARY INFORMATION TO FINANCIAL STATEMENTS

1. Breakdown of non-recurring profit or loss in the current period

Items	From January to June 2025	From January to June 2024	Explanation
Gains and losses from disposal of non-current assets	13,959,000.24	-516,322.72	—
Tax refunds and relief of ultra vires or without formal approval or incidental tax refunds or relief	—	—	—
Government grants included in the profit or loss for the period (except for the government grants closely related to the corporate businesses and granted at a fixed amount or quantity in accordance with national uniform standards)	30,183,513.38	19,542,797.53	—
Funds utilization fees collected from non-financial enterprises included in the profit or loss for the period	—	—	—
Gains from the excess of the fair value of identifiable net assets of the investee attributable to the enterprise at acquisition over the costs of investment in the subsidiaries, associates and joint ventures	—	—	—
Gains and losses from the exchange of non-monetary assets	—	—	—
Gains and losses from entrusting others to invest or manage assets	—	—	—
Provision for impairment of assets as a result of force majeure factors, such as natural disasters	—	—	—
Gains and losses from debt restructuring	—	—	—
Costs for enterprise reorganization such as the expenses for the placement of employees, integration expenses	—	—	—
Gains and losses arising from transactions where the transaction price is unfair and exceeds fair value	—	—	—
Net gains or losses for the period of subsidiaries arising from business merger involving enterprises under common control from the beginning of the period to the date of combination	—	—	—
Gains and losses arising from contingent matters not related to the normal operation of the Company	—	—	—
Gains and losses from changes in fair value of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and investment income from the disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investments (excluding the effective hedging activities related to the Company's normal operations)	-76,360,665.85	-12,569,475.05	—
Reversal of impairment provision of receivables, contract assets tested on individual basis	—	—	—
Gains and losses from external entrusted loan	—	—	—
Gains and losses from the changes in fair value of investment properties measured by fair value model subsequently	—	—	—
Effect of one-off adjustment to profit or loss for the period according to the laws and regulations regarding taxation and accounting on profit or loss for the period	—	—	—
Entrust fee income from entrusted operation	—	—	—
Other non-operating income and expenditures apart from the above	18,190,367.94	12,426,291.55	—
Other items of profit or loss meeting the definition of non-recurring profit or loss	—	—	—
Sub-total	-14,027,784.29	18,883,291.31	—
Less: Effect of income tax	3,485,605.66	2,802,949.59	—
Effect of non-controlling interest (after tax)	485,199.60	3,583,042.65	—
Total	-17,998,589.55	12,497,299.07	—



Notes to the Financial Statements

From 1 January 2025 to 30 June 2025

(The notes to the financial statements are presented in RMB, except as otherwise noted)

SUPPLEMENTARY INFORMATION TO FINANCIAL STATEMENTS (continued)

2. Return on net assets and earnings per share

Profit during the Reporting Period	Reporting Period	Weighted average return on net assets (%)	Earnings per share (RMB/share)	
			Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the parent company	January to June 2024	-2.4643	-0.6203	-0.6203
	January to June 2025	-0.7839	-0.1792	-0.1792
Net profit attributable to ordinary shareholders of the parent company after deduction of non- recurring profit or loss	January to June 2024	-2.4990	-0.6290	-0.6290
	January to June 2025	-0.7289	-0.1666	-0.1666

Xinte Energy Co., Ltd.
29 August 2025

* for identification purpose only