

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



## **XINYI SOLAR HOLDINGS LIMITED**

**信義光能控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 00968)**

### **FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025**

<b>FINANCIAL HIGHLIGHTS</b>	<b>Year Ended 31 December</b>		<b>Change</b>
	<b>2025</b>	<b>2024</b>	
	<b><i>RMB million</i></b>	<b><i>RMB million</i></b>	
<b>Revenue</b>	<b>20,861.2</b>	21,921.4	-4.8%
<b>Profit attributable to equity holders of the Company</b>	<b>844.5</b>	1,008.2	-16.2%
<b>Earnings per share - Basic</b>	<b>9.29 RMB cents</b>	11.27 RMB cents	-17.6%
<b>Proposed final dividend per share</b>	<b>0.8 HK cents</b>	Nil	

The Board (the “**Board**”) of Directors (the “**Directors**”) of Xinyi Solar Holdings Limited (the “**Company**” or “**Xinyi Solar**”, together with its subsidiaries, the “**Group**”) announces the consolidated results of the Group for the year ended 31 December 2025 (the “**FY2025**”), together with the comparative figures for the year ended 31 December 2024 (the “**FY2024**”), as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Note	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Revenue</b>	3	<b>20,861,164</b>	21,921,447
Cost of sales	6	<b>(16,400,140)</b>	(18,055,449)
<b>Gross profit</b>		<b>4,461,024</b>	3,865,998
Other income	4	<b>314,294</b>	273,880
Other gains/(losses) – net	5	<b>131,694</b>	(258,434)
Selling and marketing expenses	6	<b>(111,683)</b>	(126,963)
Administrative and other operating expenses	6	<b>(998,980)</b>	(1,019,345)
Impairment losses on property, plant and equipment	7	<b>(2,321,565)</b>	(392,858)
Net impairment losses on financial and contract assets		<b>(15,954)</b>	(15,563)
<b>Operating profit</b>		<b>1,458,830</b>	2,326,715
Finance income	8	<b>18,336</b>	23,279
Finance costs	8	<b>(339,702)</b>	(432,107)
Share of results of investments accounted for using the equity method		<b>14,367</b>	17,411
<b>Profit before income tax</b>		<b>1,151,831</b>	1,935,298
Income tax expense	9	<b>(492,262)</b>	(526,227)
<b>Profit for the year</b>		<b>659,569</b>	1,409,071
<b>Profit/(Loss) for the year attributable to:</b>			
– the equity holders of the Company		<b>844,525</b>	1,008,233
– non-controlling interests		<b>(184,956)</b>	400,838
		<b>659,569</b>	1,409,071
<b>Earnings per share attributable to the equity holders of the Company</b> (Expressed in RMB cents per share)			
– Basic and diluted	11	<b>9.29</b>	11.27

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2025**

	<b>2025</b>	2024
	<i><b>RMB'000</b></i>	<i>RMB'000</i>
<b>Profit for the year</b>	<b>659,569</b>	1,409,071
<b>Other comprehensive income/(loss) for the year, net of tax:</b>		
<i>Items that will not be reclassified to profit or loss</i>		
Currency translation differences	<b>(313,710)</b>	207,573
<i>Items that may be reclassified to profit or loss</i>		
Currency translation differences	<b>381,321</b>	33,460
Share of other comprehensive (loss)/income of investments accounted for using the equity method		
– Share of currency translation differences	<b>(1,703)</b>	1,615
Reclass of exchange reserve upon disposal of subsidiaries	<b>24,086</b>	—
	<b>403,704</b>	35,075
<b>Other comprehensive income for the year</b>	<b>89,994</b>	242,648
<b>Total comprehensive income for the year</b>	<b>749,563</b>	1,651,719
<b>Total comprehensive income/(loss) for the year attributable to:</b>		
– the equity holders of the Company	<b>924,342</b>	1,322,477
– non-controlling interests	<b>(174,779)</b>	329,242
	<b>749,563</b>	1,651,719

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2025**

	Note	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>32,768,593</b>	36,167,785
Right-to-use assets		<b>2,191,182</b>	2,175,439
Intangible assets		<b>26,437</b>	29,346
Prepayments for land use rights and property, plant and equipment	13	<b>474,102</b>	415,867
Finance lease receivables		<b>150,109</b>	167,974
Investments accounted for using the equity method		<b>751,529</b>	244,455
Deferred tax assets		<b>320,603</b>	168,677
<b>Total non-current assets</b>		<b>36,682,555</b>	39,369,543
<b>Current assets</b>			
Inventories		<b>1,735,154</b>	2,856,039
Trade receivables	12	<b>7,836,661</b>	8,541,364
Bills receivables at amortised cost	12	<b>2,811,663</b>	3,046,843
Bills receivables at fair value through other comprehensive income	12	<b>1,118,858</b>	280,756
Contract assets		<b>30,667</b>	33,321
Financial assets at fair value through profit or loss		<b>68,561</b>	58,243
Prepayments, deposits and other receivables	13	<b>1,274,812</b>	1,494,623
Finance lease receivables		<b>12,216</b>	11,881
Current tax assets		<b>7,109</b>	204,030
Amounts due from related companies		<b>1,027</b>	887
Amounts due from investments accounted for using the equity method		<b>24,980</b>	62,421
Loans to investments accounted for using the equity method		<b>154,342</b>	—
Restricted cash		<b>22,204</b>	19,589
Fixed bank deposits		<b>149,000</b>	131,338
Cash and cash equivalents		<b>4,986,259</b>	821,606
<b>Total current assets</b>		<b>20,233,513</b>	17,562,941
<b>Total assets</b>		<b>56,916,068</b>	56,932,484

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2025**

	Note	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>EQUITY</b>			
<b>Equity attributable to the equity holders of the Company</b>			
Share capital		<b>745,108</b>	738,830
Share premium and other reserves		<b>10,525,855</b>	10,148,435
Retained earnings		<b>18,560,880</b>	18,164,525
		<b>29,831,843</b>	29,051,790
Non-controlling interests		<b>5,104,516</b>	5,356,082
<b>Total equity</b>		<b>34,936,359</b>	34,407,872
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Other payables	14	<b>666,063</b>	701,967
Borrowings	15	<b>6,972,273</b>	5,496,799
Lease liabilities		<b>887,732</b>	831,625
Deferred tax liabilities		<b>201,827</b>	150,349
<b>Total non-current liabilities</b>		<b>8,727,895</b>	7,180,740
<b>Current liabilities</b>			
Borrowings	15	<b>5,196,002</b>	6,143,255
Trade, bills and other payables	14	<b>5,818,613</b>	7,132,305
Contract liabilities		<b>90,343</b>	79,421
Lease liabilities		<b>63,660</b>	71,716
Amounts due to related companies		<b>1,896,987</b>	1,852,132
Current tax liabilities		<b>186,209</b>	65,043
<b>Total current liabilities</b>		<b>13,251,814</b>	15,343,872
<b>Total liabilities</b>		<b>21,979,709</b>	22,524,612
<b>Total equity and liabilities</b>		<b>56,916,068</b>	56,932,484

## NOTES:

### 1 Summary of material accounting policies

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

### 2 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap 622.

These consolidated financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

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

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

#### (a) Amendments to standards adopted by the Group

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year’s financial statements.

Amendments to HKAS 21	Lack of Exchangeability
-----------------------	-------------------------

The nature and the impact of the revised HKFRSs are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. The amendments did not have any significant impact on the Group’s financial statements. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, investments accounted for using the equity method for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s financial statements.

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

(b) New and amended standards but not yet adopted by the Group

The Group has not applied the following new and amended HKFRS Accounting Standards, that have been issued but are not yet effective, in the financial statements for the year ended 31 December 2025. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

Amendments to HKFRS 9 and HKFRS 7	Amendments to classification and Measurement of Financial Instruments <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>1</sup>
Annual Improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 <sup>1</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>2</sup>
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures <sup>2</sup>
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency <sup>2</sup>
Amendments to HKFRS10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>3</sup> No mandatory effective date yet determined but available for adoption

Except as described below, these new and amended standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

### 3 Revenue and segment information

Revenues recognised during the year are as follows:

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Sales of solar glass	<u>17,831,786</u>	<u>18,820,033</u>
Renewable energy business		
– Sales of electricity	<b>1,918,674</b>	1,926,702
– Tariff adjustment	<b>1,074,844</b>	1,090,580
	<u>2,993,518</u>	<u>3,017,282</u>
Others		
– Sales of mining products and consumables	<b>1,476</b>	56,683
– Other service income	<b>34,384</b>	27,449
	<u>35,860</u>	<u>84,132</u>
Total revenue	<u><b>20,861,164</b></u>	<u>21,921,447</u>

Note:

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

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

For the year ended 31 December 2025, there are two operating segments based on business type: (1) sales of solar glass and (2) renewable energy business (formerly known as “solar farm business”), which focused on solar farm development alongside solar and wind power generation. The “Other segment” and “Unallocated” mainly include the non-core businesses of the Group such as polysilicon business (which has not yet commenced operations), engineering, procurement and construction services and sales of mining products.

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

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

The segment information provided to the executive directors for the reportable segments is as follows:

	Year ended 31 December 2025					Total RMB'000
	Sales of solar glass RMB'000	Renewable energy business RMB'000	Other segment RMB'000	Unallocated RMB'000	Inter- segment eliminations RMB'000	
Segment revenue						
Recognised at a point in time	17,831,786	2,993,518	—	1,476	—	20,826,780
Recognised over time	—	—	—	34,384	—	34,384
Revenue from external customers	17,831,786	2,993,518	—	35,860	—	20,861,164
Cost of sales	(15,321,735)	(1,055,115)	—	(23,290)	—	(16,400,140)
Gross profit	<u>2,510,051</u>	<u>1,938,403</u>	<u>—</u>	<u>12,570</u>	<u>—</u>	<u>4,461,024</u>
Segment revenue by geographical area						
Mainland China	11,858,198	2,991,114	—	20,674	—	14,869,986
Other areas in Asia	4,110,131	—	—	—	—	4,110,131
North America and Europe	1,495,990	2,404	—	15,186	—	1,513,580
Others	367,467	—	—	—	—	367,467
	<u>17,831,786</u>	<u>2,993,518</u>	<u>—</u>	<u>35,860</u>	<u>—</u>	<u>20,861,164</u>

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

	Other segment information					Total RMB'000
	Sales of solar glass RMB'000	Renewable energy business RMB'000	Other segment RMB'000	Unallocated RMB'000	Inter- segment eliminations RMB'000	
<b>Year ended 31 December 2025</b>						
Depreciation charge of property, plant and equipment	1,273,790	807,326	1,037	1,533	—	2,083,686
Depreciation charge of right-of-use assets	25,021	57,374	2,950	1,662	—	87,007
Impairment losses on property, plant and equipment	724,738	—	1,596,827	—	—	2,321,565
Amortisation charge of intangible assets	2,861	—	—	48	—	2,909
Additions to non-current assets (other than finance lease receivables and deferred tax assets)	<u>1,320,335</u>	<u>1,420,207</u>	<u>—</u>	<u>74,926</u>	<u>—</u>	<u>2,815,468</u>
<b>Year ended 31 December 2024</b>						
Depreciation charge of property, plant and equipment	1,173,594	752,701	1,287	4,686	—	1,932,268
Depreciation charge of right-of-use assets	36,722	50,044	3,025	751	—	90,542
Impairment losses on property, plant and equipment	392,858	—	—	—	—	392,858
Amortisation charge of intangible assets	1,245	—	—	1,353	—	2,598
Additions to non-current assets (other than finance lease receivables and deferred tax assets)	<u>3,519,422</u>	<u>1,368,482</u>	<u>479,384</u>	<u>104,353</u>	<u>—</u>	<u>5,471,641</u>
<b>Assets and liabilities</b>						
	Sales of solar glass RMB'000	Renewable energy business RMB'000	Other segment RMB'000	Unallocated RMB'000	Inter- segment eliminations RMB'000	Total RMB'000
<b>At 31 December 2025</b>						
Total assets	32,985,169	26,175,909	3,249,888	4,750,823	(10,245,721)	56,916,068
Total liabilities	<u>14,041,064</u>	<u>10,389,973</u>	<u>4,555,187</u>	<u>3,239,206</u>	<u>(10,245,721)</u>	<u>21,979,709</u>
<b>At 31 December 2024</b>						
Total assets	30,540,711	24,114,283	4,851,759	3,750,897	(6,325,166)	56,932,484
Total liabilities	<u>11,709,199</u>	<u>8,180,249</u>	<u>4,643,145</u>	<u>4,317,185</u>	<u>(6,325,166)</u>	<u>22,524,612</u>

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

	Assets		Liabilities	
	2025	2024	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Segment assets/(liabilities)</b>	<b>62,410,966</b>	59,506,753	<b>(28,986,224)</b>	(24,532,593)
Unallocated items:				
Property, plant and equipment	<b>196,861</b>	169,591	—	—
Right-of-use assets	<b>42,093</b>	43,841	—	—
Intangible assets	<b>5,213</b>	6,566	—	—
Prepayments for land use rights and property, plant and equipment	<b>21,876</b>	21,517	—	—
Finance lease receivables	<b>162,325</b>	179,855	—	—
Investments accounted for using the equity method	<b>751,529</b>	244,454	—	—
Inventories	<b>1,498</b>	21,224	—	—
Trade and bills receivables	<b>3,080</b>	25,949	—	—
Prepayments, deposit and other receivables	<b>37,281</b>	26,088	—	—
Contract assets	<b>7,374</b>	10,028	—	—
Amounts due from related companies	<b>3,489,238</b>	2,978,720	—	—
Restricted cash	<b>2,990</b>	2,072	—	—
Cash and cash equivalents	<b>21,727</b>	13,564	—	—
Deferred tax assets	<b>7,058</b>	7,183	—	—
Current tax assets	<b>680</b>	245	—	—
Trade, bills and other payables	—	—	<b>(73,335)</b>	(97,707)
Contract liabilities	—	—	<b>(7,620)</b>	(5,587)
Current tax liabilities	—	—	—	(287)
Lease liabilities	—	—	<b>(741)</b>	(2,247)
Amounts due to related companies	—	—	<b>(489,635)</b>	(478,833)
Deferred tax liabilities	—	—	<b>(9,839)</b>	(11,366)
Borrowings	—	—	<b>(2,658,036)</b>	(3,721,158)
Inter-segment eliminations	<b>(10,245,721)</b>	(6,325,166)	<b>10,245,721</b>	6,325,166
<b>Total assets/(liabilities)</b>	<b>56,916,068</b>	56,932,484	<b>(21,979,709)</b>	(22,524,612)

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

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
<b>Segment gross profit</b>	<b>4,448,454</b>	3,848,911
Unallocated gross profit	<b>12,570</b>	17,087
	<hr/>	<hr/>
Total gross profit	<b>4,461,024</b>	3,865,998
Other unallocated items:		
Other income	<b>314,294</b>	273,880
Other gains/(losses) – net	<b>131,694</b>	(258,434)
Selling and marketing expenses	<b>(111,683)</b>	(126,963)
Administrative and other operating expenses	<b>(998,980)</b>	(1,019,345)
Impairment losses on property, plant and equipment (Note 7)	<b>(2,321,565)</b>	(392,858)
Net impairment losses on financial and contract assets	<b>(15,954)</b>	(15,563)
Finance income	<b>18,336</b>	23,279
Finance costs	<b>(339,702)</b>	(432,107)
Share of results of investments accounted for using the equity method	<b>14,367</b>	17,411
	<hr/>	<hr/>
<b>Profit before income tax</b>	<b>1,151,831</b>	1,935,298
	<hr/> <hr/>	<hr/> <hr/>

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

Revenue of approximately RMB2,515,863,000 and RMB2,175,626,000 were derived from customer A and customer B from solar glass business respectively, which separately accounted for more than 10% of the Group's revenue for the year ended 31 December 2025. Revenue of approximately RMB3,104,941,000 and RMB2,639,389,000 were derived from customer C and customer A from solar glass business respectively, which separately accounted for more than 10% of the Group's revenue for the year ended 31 December 2024.

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

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
The People's Republic of China (the "PRC")	<b>32,073,883</b>	36,098,935
Others	<b>4,137,960</b>	2,933,957
	<hr/>	<hr/>
	<b>36,211,843</b>	39,032,892
	<hr/> <hr/>	<hr/> <hr/>

#### 4 Other income

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Government grants (Note (i))	179,272	123,501
Scrap sales (Note (ii))	53,678	106,817
Insurance compensation income	27,979	9,802
Compensation income from suppliers	9,601	13,204
Tariff adjustments for electricity generation from self-used solar power system	8,607	3,474
Others (Note (iii))	35,157	17,082
	<u>314,294</u>	<u>273,880</u>

Notes:

- (i) Government grants mainly represent grants received from the government in subsidising the Group's certain operating costs and general operations.
- (ii) Scrap sales were shown in net amount with the other income of RMB163,162,000 (2024: RMB221,087,000) and other expenses of RMB109,484,000 (2024: RMB114,270,000).
- (iii) It mainly represents rental and other miscellaneous income.

#### 5 Other gains/(losses) – net

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Gain on disposal of subsidiaries (Note 18)	147,171	—
Net fair value gains on financial assets at FVPL	24,467	14,353
Gains on early termination of lease	1,302	753
Losses on disposal of bills receivables at FVOCI	(18,501)	(46,503)
Losses on disposal of property, plant and equipment	(16,753)	(14,187)
Foreign exchange losses, net (Note)	(15,244)	(212,997)
Others	9,252	147
	<u>131,694</u>	<u>(258,434)</u>

Note:

During the year ended 31 December 2024, the foreign exchange losses, net included foreign exchange losses of RMB240,211,000 reclassified from the exchange reserve upon the termination of RMB-denominated capital loans between group companies. No similar reclassification occurred in the year ended 31 December 2025 as these loans were fully settled prior to the period.

## 6 Expenses by nature

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Auditor's remuneration – audit services	2,679	3,280
Amortisation charge of intangible assets	2,909	2,598
Depreciation charge of property, plant and equipment	2,083,686	1,932,268
Depreciation charge of right-of-use assets	87,007	90,542
Employee benefit expenses (including directors' emoluments)	1,135,996	1,279,812
Cost of inventories	12,141,327	13,782,576
Other direct operating cost of solar farm	103,763	97,944
Construction contracts costs	20,005	13,047
Net impairment losses on inventories (Note)	21,360	159,330
Losses from production suspension	25,771	15,805
Payments in relation to short term leases of land and buildings	3,130	3,401
Transportation costs	872,034	766,932
Research and development expenditures	595,682	635,635
Taxes and levies	240,748	165,845
Other expenses	174,706	252,742
	<u>17,510,803</u>	<u>19,201,757</u>

Note:

During the year ended 31 December 2025, the Group recognised net impairment of inventories totaling RMB21,360,000 (2024: RMB159,330,000) in the consolidated statement of profit or loss, which comprises provision for impairment of RMB21,270,000 (2024: RMB162,428,000) made based on net realisable value of the inventories, and provision for impairment of RMB90,000 (2024: reversal of previously made impairment of RMB3,098,000) made based on aging of the inventories.

## 7 Impairment losses on property, plant and equipment

For the year ended 31 December 2025, the Group recognised impairment losses on property, plant and equipment totaling RMB2,321,565,000 (2024: RMB392,858,000). Of this amount, RMB724,738,000 (2024: RMB392,858,000) related to solar glass production lines and RMB1,596,827,000 (2024: nil) related to polysilicon manufacturing facilities.

**Solar glass production lines** - In view of the supply-demand imbalance in the solar glass market and to more effectively control the operational risks (including inventory and accounts receivable levels), certain production facilities within the Group's solar glass segment remained on standby or idle during the year. For such idle equipment, the Group has conducted regular reviews to assess the possibility of restarting operations, potential conversion, relocation, or alternative uses, in order to determine whether it is no longer viable for production. Impairment provisions are then recognised based on the results of impairment testing. During the year ended 31 December 2025, impairment losses of RMB724,738,000 (2024: RMB392,858,000) were recognised for these impaired assets. The impairment provision was determined based on the difference between the assets' carrying amounts and their recoverable amounts. The recoverable amounts — estimated using quotes from independent third parties or historical sales prices of comparable assets — typically ranged between 0% and 10% of the original cost.

**Polysilicon manufacturing facilities** - As of 31 December 2025, the construction of the Group's polysilicon manufacturing base in Yunnan Province, the PRC had been substantially completed, although certain testing and acceptance procedures remained outstanding before operations could commence. Given that industry production capacity significantly exceeds demand and polysilicon prices have remained depressed for a prolonged period, the Group performed an impairment test on the asset group of its polysilicon production facilities ("CGU"), which belonged to the other segment and with a carrying amount of RMB4,269,827,000 at 31 December 2025.

The recoverable amount of the CGU was determined to be RMB2,673,000,000, based on a value in use calculation. This calculation incorporated cash flow projections prepared by management and a discounted cash flow model developed by an independent professional valuer.

As a result of the impairment test, the carrying amount of property, plant and equipment within the other segment was reduced by RMB1,596,827,000 (2024: nil). The impairment loss was recognised under "Impairment losses on property, plant and equipment" in the consolidated statement of profit or loss. As the CGU is held through a non-wholly owned subsidiary in which the Company has a 52% equity interest, the impact on profit attributable to equity holders of the Company, after deducting the 48% attributable to non-controlling interests, was RMB830,350,000 (2024: nil).

Key variables incorporated in estimating future cash flows included product pricing, projected revenue growth rates, and applicable discount rates. The recoverable amount was determined using revenue growth rates of 2% to 5% for the initial five years of normal production volume, a long-term revenue growth rate of 2%, and a pre-tax discount rate of 10.3%.

## 8 Finance income and costs

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Finance income		
Interest income from bank deposits	<u>18,336</u>	<u>23,279</u>
Finance costs		
Interest for lease liabilities	57,938	60,096
Interest on borrowings	<u>337,774</u>	<u>447,496</u>
	395,712	507,592
Less: Amounts capitalised on qualifying assets	<u>(56,010)</u>	<u>(75,485)</u>
	<u>339,702</u>	<u>432,107</u>

## 9 Income tax expense

### (a) Taxation in the consolidated statement of profit or loss represents:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current income tax		
– PRC corporate income tax (“CIT”) (Note (iii))	468,345	453,155
– Overseas income tax (Note (iv))	120,982	7,724
– PRC withholding tax	5,802	84,457
– Underprovision in prior years	<u>10,245</u>	<u>39,729</u>
	605,374	585,065
Deferred income tax (Note (iv))	<u>(113,112)</u>	<u>(58,838)</u>
Income tax expense	<u>492,262</u>	<u>526,227</u>

### Notes:

- (i) The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and, accordingly, is exempted from payment of the Cayman Islands income tax.
- (ii) Hong Kong profits tax has been provided at the two-tiered rate of 8.25% (2024: 8.25%) for the first HK\$2 million of the estimated assessable profits for one of the Group’s subsidiaries in Hong Kong and 16.5% (2024: 16.5%) on the remaining estimated assessable profits for the year.

- (iii) The applicable CIT rate for the Group's subsidiaries in the PRC is 25% except that:
- As at 31 December 2025, three subsidiaries engaging in solar glass business (2024: three) and a subsidiary engaging in renewable energy business (2024: one) are qualified as “High and New Technology Enterprise” and can enjoy a preferential CIT rate of 15% (2024: 15%).
  - As at 31 December 2025, two subsidiaries engaging in solar glass business (2024: two), a subsidiary engaging in renewable energy business (2024: one), a subsidiary engaging in mining products business (2024: one) and a subsidiary engaging in silicon products business (2024: one) (together as “**Encouraged Subsidiaries**”) are qualified as “Encouraged Enterprise” in the Catalogue of Industries Encouraged for Foreign Investment in Central and Western Region and can enjoy a preferential CIT rate of 15% (2024: 15%). Three of the Encouraged Subsidiaries (2024: three) in Guangxi Zhuang Autonomous Region can enjoy a reduced CIT rate of 9% for five years starting from their first revenue-generating year.
  - Subsidiaries engaging in the operation and management of renewable energy business are fully exempted from the CIT for three years starting from its first year of revenue generation, followed by 50% reduction in CIT in next three years. However, their government grants and insurance claims received are subject to the CIT rate of 25% (2024: 25%).
- (iv) Taxation on overseas profits mainly include Malaysia income tax which has been calculated on the estimated assessable profits for the year at the standard Malaysia corporate income tax rates of 24% (2024: 24%). The Group's subsidiary in Malaysia is entitled to Investment Tax Allowance (“**ITA**”) on qualifying capital expenditures incurred during the eligible period, which can be offset against its assessable profits, subject to the fulfillment of certain specified conditions (“**ITA Conditions**”). Since all ITA conditions have been satisfied since the year ended 31 December 2024, a deferred tax asset of RMB5,393,000 (2024: RMB30,628,000) has been recognised to the extent that future taxable profits are available to utilise the ITA as at 31 December 2025.

**(b) Pillar Two income tax**

The Group falls within the scope of the Global Anti-Base Erosion Model Rules (“**Pillar Two Model Rules**”) issued by the Organisation for Economic Co-operation and Development, with subsidiaries operating in some jurisdictions that have legislated domestic Pillar Two income tax requirements in alignment with this framework.

The Group's earnings are subject to domestic minimum top-up taxes in Malaysia and Indonesia (effective from 1 January 2025) and Canada (since 1 January 2024). From 1 January 2025, the Group is also liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 in respect of its earnings, whereas Mainland China has not yet enacted Pillar Two legislation.

The Group has assessed its potential Pillar Two income tax exposure in these jurisdictions based on the information available regarding the financial performance of the Group for the year ended 31 December 2025. Based on the assessment, the Group's effective tax rates in the above jurisdictions in which it operates are generally above 15% and the directors of the Company are not currently aware of any circumstances under which they might change. Therefore, the Group expects that any potential exposure to Pillar Two top-up taxes will be immaterial.

## 10 Dividends

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Interim dividend of 4.2 HK cents (2024: 10.0 HK cents) per share (Note (a))	<b>349,114</b>	827,585
Proposed final dividend of 0.8 HK cents (2024: nil) per share (Note (b))	<b><u>65,822</u></b>	<u>—</u>

Notes:

- (a) An interim dividend for the six months ended 30 June 2025 of 4.2 HK cents (2024: 10.0 HK cents) per share was partially paid in cash and partially settled by shares in respect of scrip dividend to shareholders whose names appeared on the Register of Members of the Company on 20 August 2025 (2024: 19 August 2024).
- (b) A final dividend in respect of the year ended 31 December 2025 of 0.8 HK cents per share (2024: nil), amounting to a total dividend of HK\$73,176,000 (equivalent to RMB65,822,000) (2024: nil) is to be proposed at the forthcoming annual general meeting ("AGM"). The amount of 2025 proposed final dividend is based on 9,147,043,615 shares in issue as at 31 December 2025. These consolidated financial statements do not reflect the proposed final dividend for the year ended 31 December 2025.

## 11 Earnings per share

### (a) Basic

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

	2025	2024
Profit attributable to equity holders of the Company (RMB'000)	844,525	1,008,233
Weighted average number of shares in issue (thousands)	9,094,046	8,944,137
Basic earnings per share (RMB cents)	<u>9.29</u>	<u>11.27</u>

### (b) Diluted

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

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2025 and 2024 in respect of a dilution as the exercise price of the share options granted was higher than the average market price of the Company's share price during the years.

Share options granted by a subsidiary of the Group, Xinyi Energy Holdings Limited (“**Xinyi Energy**”) during the year ended 31 December 2025 has dilution impact on earnings per share (2024: Nil).

Calculations of diluted earnings per share:

	2025	2024
<b>Earnings</b>		
Profit attributable to owners of the Company, used in the basic earnings per calculation (RMB'000)	844,525	1,008,233
Effect of dilutive potential ordinary shares arising from adjustment to the share of profit of Xinyi Energy based on dilution of its earnings per share	<u>(5)</u>	<u>—</u>
Profit attributable to owners of the Company, used in the diluted earnings per share calculation	<u>844,520</u>	<u>1,008,233</u>
Weighted average number of ordinary shares in issue	<u>9,094,046</u>	<u>8,944,137</u>
Diluted earnings per shares (RMB cents)	<u>9.29</u>	<u>11.27</u>

## 12 Trade and bills receivables

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables (Note (a))	7,916,481	8,611,010
Less: Loss allowance (Note (b))	<u>(79,820)</u>	<u>(69,646)</u>
Trade receivables, net	<u><b>7,836,661</b></u>	<u><b>8,541,364</b></u>
Bills receivables at amortised cost (Note (c))	2,813,282	3,050,263
Less: Loss allowance	<u>(1,619)</u>	<u>(3,420)</u>
Bills receivables at amortised cost, net	<u><b>2,811,663</b></u>	<u><b>3,046,843</b></u>
Bills receivables at FVOCI (Note (d))	<u><b>1,118,858</b></u>	<u><b>280,756</b></u>

Notes:

(a) Trade receivables

Breakdown of gross trade receivables by segment is as follows:

	Sales of solar glass <i>RMB'000</i>	Renewable energy business <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
<b>At 31 December 2025</b>				
Sales of solar glass	3,001,213	—	—	3,001,213
Sales of electricity	—	153,620	—	153,620
Tariff adjustment	—	4,751,186	—	4,751,186
Other service revenue	—	—	10,462	10,462
Total	<u><b>3,001,213</b></u>	<u><b>4,904,806</b></u>	<u><b>10,462</b></u>	<u><b>7,916,481</b></u>
<b>At 31 December 2024</b>				
Sales of solar glass	3,634,707	—	—	3,634,707
Sales of electricity	—	211,257	—	211,257
Tariff adjustment	—	4,747,320	—	4,747,320
Other service revenue	—	—	17,726	17,726
Total	<u><b>3,634,707</b></u>	<u><b>4,958,577</b></u>	<u><b>17,726</b></u>	<u><b>8,611,010</b></u>

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

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

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
0 to 90 days	<b>7,294,666</b>	8,245,448
91 days to 180 days	<b>572,189</b>	272,582
181 days to 365 days	<b>26,913</b>	86,715
1 to 2 years	<b>17,421</b>	3,512
Over 2 years	<b>5,292</b>	2,753
	<b><u>7,916,481</u></b>	<u>8,611,010</u>

The ageing analysis of gross trade receivables of renewable energy generation business based on the Group's revenue recognition policy is as follows:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
0 to 90 days	<b>366,913</b>	447,046
91 days to 180 days	<b>315,110</b>	365,812
181 days to 365 days	<b>540,640</b>	610,647
1 to 2 years	<b>1,114,366</b>	1,018,719
Over 2 years	<b>2,567,777</b>	2,516,353
	<b><u>4,904,806</u></b>	<u>4,958,577</u>

The tariff adjustments were invoiced upon the funds received, therefore the tariff adjustments received based on invoice date were grouped into 0 to 90 days.

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

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Renminbi (“ <b>RMB</b> ”)	<b>7,106,176</b>	8,306,741
US dollar (“ <b>US\$</b> ”)	<b>807,309</b>	301,750
Other currencies	<b>2,996</b>	2,519
	<b><u>7,916,481</u></b>	<u>8,611,010</u>

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

The closing loss allowances for trade receivables of the Group as at 31 December 2025 reconcile to the opening loss allowances as follows:

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss allowance as at 1 January	<b>69,646</b>	52,665
Provision of loss allowance recognised in consolidated statement of profit or loss – net	<b>13,378</b>	17,587
Derecognition upon disposal of subsidiary	<b>(3,056)</b>	—
Receivables written off during the year as uncollectible	<b>(169)</b>	(2,053)
Currency translation differences	<b>21</b>	1,447
Loss allowance as at 31 December	<b><u>79,820</u></b>	<b><u>69,646</u></b>

- (c) The maturity of bills receivables at amortised cost is within 1 year. As at 31 December 2025, bills receivables of RMB82,599,000 (2024: RMB82,189,000) was pledged as collaterals for obtaining letter of credit facilities in the PRC.

Bill receivables of RMB363,775,000 (2024: RMB967,905,000) was transferred to banks for obtaining bank borrowings. The carrying amounts of bills receivables are denominated in RMB.

- (d) Fair value of bills receivables at FVOCI

As at 31 December 2025, bills receivables of nil (2024: RMB2,775,000) was pledged as collaterals for obtaining bank acceptance bill.

### 13 Prepayments, deposits and other receivables

	2025 RMB'000	2024 RMB'000
Prepayments	763,251	783,781
Deposits and other receivables	77,876	72,554
Other tax receivables (Note)	908,904	1,056,030
	<u>1,750,031</u>	<u>1,912,365</u>
Less: Non-current portion:		
Prepayments for land use rights and property, plant and equipment	<u>(474,102)</u>	<u>(415,867)</u>
Current portion	1,275,929	1,496,498
Less: Loss allowance of deposits and other receivables	<u>(1,117)</u>	<u>(1,875)</u>
	<u><u>1,274,812</u></u>	<u><u>1,494,623</u></u>

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

### 14 Trade, bills and other payables

	2025 RMB'000	2024 RMB'000
Trade payables (Note (a))	1,440,755	2,442,951
Bills payables (Note (b))	1,187,670	1,035,623
	<u>2,628,425</u>	<u>3,478,574</u>
Trade and bills payables (Note (c))	2,628,425	3,478,574
Accruals and other payables (Note (d))	3,190,188	3,653,731
	<u>5,818,613</u>	<u>7,132,305</u>
Current portion	<u><u>5,818,613</u></u>	<u><u>7,132,305</u></u>
Deferred government grants (Note (e))	130,000	130,000
Retention payables for construction of plant and equipment	536,063	571,967
	<u>666,063</u>	<u>701,967</u>
Non-current portion	<u><u>666,063</u></u>	<u><u>701,967</u></u>

Notes:

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

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
0 to 90 days	<b>975,899</b>	1,798,915
91 days to 180 days	<b>418,733</b>	626,988
181 days to 365 days	<b>15,176</b>	10,454
Over 1 year	<b>30,947</b>	6,594
	<b><u>1,440,755</u></b>	<u>2,442,951</u>

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

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

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
RMB	<b>2,483,835</b>	3,341,135
Other currencies	<b>144,590</b>	137,439
	<b><u>2,628,425</u></b>	<u>3,478,574</u>

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

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Payables for property, plant and equipment	<b>2,624,201</b>	3,070,909
Accruals for employee benefits and welfare	<b>150,816</b>	180,919
Payables for transportation costs and other operating expenses	<b>161,550</b>	208,558
Provision for value added tax and other taxes	<b>144,719</b>	84,034
Payables for utilities	<b>40,543</b>	35,487
Others	<b>68,359</b>	73,824
	<b><u>3,190,188</u></b>	<u>3,653,731</u>

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

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

## 15 Borrowings

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Unsecured bank borrowings	11,368,275	11,639,790
Secured other borrowings	—	264
	<hr/>	<hr/>
Bank and other borrowings	11,368,275	11,640,054
Unsecured fixed-rate bonds (Note)	800,000	—
	<hr/>	<hr/>
Total borrowings	12,168,275	11,640,054
Less: Non-current portion	(6,972,273)	(5,496,799)
	<hr/>	<hr/>
Current portion	<u>5,196,002</u>	<u>6,143,255</u>

The maturity profile of bank and other borrowings is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Repayable on demand and within 1 year	5,196,002	6,143,255
Between 1 and 2 years	1,590,065	849,978
Between 2 and 5 years	1,751,397	2,206,152
Over 5 years	2,830,811	2,440,669
	<hr/>	<hr/>
	<u>11,368,275</u>	<u>11,640,054</u>

The carrying amounts of the Group's bank and other borrowings were denominated in the following currencies:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
RMB	11,314,305	9,809,059
Hong Kong dollar	53,970	1,830,995
	<hr/>	<hr/>
	<u>11,368,275</u>	<u>11,640,054</u>

Note:

Fixed-rate bonds with a total principal of RMB800,000,000 were issued by the Company at par value in June 2025, carrying an annual coupon rate of 2.1%. The unsecured bonds have a three-year tenor, mature in June 2028, and are traded on the China Interbank Bond Market.

## 16 Transaction with non-controlling interests

### *Change of equity interest in Xinyi Energy*

The table below sets forth the cash dividends and scrip shares received by Xinyi Power (BVI) Limited (“**Xinyi Power**”), a wholly-owned subsidiary of the Company, in relation to the final dividend distribution for the year ended 31 December 2024 and interim dividend distribution for the six months ended 30 June 2025 by Xinyi Energy (“**XYE Dividend Settlement**”). As a result of the XYE Dividend Settlement, the Company’s indirect interest in Xinyi Energy decreased from 51.62% to 50.75% during the year ended 31 December 2025.

	<b>Xinyi Power</b>	<b>Other shareholders of Xinyi Energy</b>	<b>Total</b>
Cash received (RMB'000)			
– Final dividend for the year ended 31 December 2024	107,049	32,917	139,966
– Interim dividend for the six months ended 30 June 2025	114,815	40,251	155,066
Scrip shares received ('000)			
– Final dividend for the year ended 31 December 2024	—	76,582	76,582
– Interim dividend for the six months ended 30 June 2025	—	66,476	66,476

### *Disposal of Solar Farms to Xinyi Energy*

During the year ended 31 December 2025, the Group completed the disposals of the below solar farm projects to Xinyi Energy (“**Solar Farm Disposal**”). The disposals were made pursuant to the terms and conditions of the Solar Farm Agreement dated 5 December 2018, 28 February 2024 and supplemental agreement entered into between the Company and Xinyi Energy and in accordance with the business delineation between Xinyi Solar as a solar farm developer and Xinyi Energy as a solar farm operator.

<b>Date of disposal</b>	<b>Company</b>	<b>% of equity interest held</b>		<b>Cash consideration</b> <i>RMB million</i>	<b>Approved grid-connected capacity</b> <i>MW</i>
		<b>Before disposal</b>	<b>After disposal</b>		
March 2025	Wuhu Xintu Renewable Energy Limited	100%	51.62%	14.8	30
December 2025	Xinjie Solar (Wuhu) Limited (Note)	100%	50.75%	29.8	100
December 2025	Xinyun Renewable Energy (Yunfu) Limited	100%	50.75%	35.5	100

Note: Xinjie Solar (Wuhu) Limited holds a 100% equity interest in Kaiping City Ruide Renewable Energy Limited, which owns and operates a solar farm with an approved grid-connected capacity of 100 MW, located in Kaiping County, Guangdong Province, PRC.

The effect of the above transactions with non-controlling interests on the equity attributable to equity holders of the Company during the year ended 31 December 2025 is summarised as follows:

	<b>XYE Dividend Settlement</b> <i>RMB'000</i>	<b>Solar Farm Disposal</b> <i>RMB'000</i>	<b>Total</b> <i>RMB'000</i>
(Decrease)/increase in equity attributable to equity holders of the Company	(29,069)	21,420	(7,649)
Increase/(decrease) in non-controlling interests	29,069	(27,993)	1,076
Decrease in total equity	—	(6,573)	(6,573)

## 17 Acquisition of a wind farm project

In December 2025, the Group completed the acquisition of 82% and 18% of the issued shares of Xinyi Wind Power (Jinzhai) Company Limited (“**Jinzhai Wind Power**”) from Xinyi Energy Smart (Wuhu) Company Limited and Anhui Xinyi Power Source Company Limited respectively at an aggregate consideration of RMB62,000,000. The principal asset of Jinzhai Wind Power is a wind farm located Jinzhai City, Anhui Province with the approved power generating capacity of 64 megawatts (“**MW**”). The acquisition did not constitute a business as defined in HKFRS 3 Business Combinations and was accounted for as an asset acquisition. For further details, please refer to the Company’s announcements dated 23 December 2025 and 16 January 2026.

## 18 Derecognition of subsidiaries

### (a) Partial disposal of Xinyi Solar (Tianjin) Limited (“**Xinyi Solar (Tianjin)**”)

In December 2025, the Group completed the disposal of 51% equity interests of Xinyi Solar (Tianjin) to Tianjin Binhai Construction Investment New Energy Company Limited, an independent third party (the “**Disposal**”). The Group’s equity interests in Xinyi Solar Tianjin decreased from 100% to 49% following the Disposal. The Group lost control in Xinyi Solar Tianjin upon completion of the Disposal but retained the power to exercise significant influence over Xinyi Solar Tianjin. Therefore, Xinyi Solar Tianjin is regarded as an associate of the Company and is accounted for using the equity method. For further details, please refer to the Company’s announcements dated 20 November 2025 and 17 December 2025.

	<b>2025</b>
	<b>RMB’000</b>
Net assets disposed of:	
Property, plant and equipment	(676,806)
Right-of-use assets	(28,372)
Deferred tax assets	(2,426)
Trade and other receivables	(301,916)
Cash and cash equivalents	(29,578)
Lease liabilities	35,277
Other payables and accruals	142,916
Current tax payables	4,115
	<hr/>
Net assets derecognised upon completion of the Disposal	(856,790)
Recognition of the remaining 49% equity interests under the equity method	494,410
Exchange losses recycled from reserves to profit or loss	(24,086)
Considerations to be settled in cash	514,590
	<hr/>
Gain on disposal	<u>128,124</u>

An analysis of the net inflow of cash and cash equivalents in respect of the Disposal is as follows:

	<b>2025</b>
	<b><i>RMB'000</i></b>
Cash consideration	<b>514,590</b>
Cash and cash equivalents disposed of	<b>(29,578)</b>
	<hr/>
	<b>485,012</b>
	<hr/> <hr/>

(b) Disposal of Qijing Ruitiancheng Commercial Concrete Limited (“**Qijing Ruitiancheng**”)

In October 2025, the Group disposed its entire 70% equity interest in Qijing Ruitiancheng with net asset value amount to RMB13,809,000 to an external party for a consideration of RMB14,081,000, resulting in a gain on disposal of RMB19,047,000, including unrealised gains related to previous sales transactions with companies within the Group. The net inflow of cash and cash equivalents from the disposal amounts to RMB13,659,000, after deducting the disposed cash balance of RMB422,000.

## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERVIEW

Following several years of rapid expansion, the growth in the global photovoltaic (“**PV**”) installation slowed down in 2025. Escalating geopolitical tensions and rising trade barriers have disrupted the PV supply chain, which resulted in volatility in demand. At the same time, China’s policy shift from the feed-in tariff regime and its deepening electricity market reforms have created additional uncertainties to the downstream installation activity. Within this complicated and challenging environment, all segments across the solar industry value chain are under significant pressure. Market competition has intensified, exerting continuous downward pressure on product prices and profit margins.

In 2025, the Group recorded revenue of RMB20,861.2 million, representing a decrease of 4.8% as compared to 2024, primarily due to the lower average selling prices (“**ASP**”) of the solar glass products even if the sales volume achieved a higher level than the previous year. Profit attributable to equity holders of the Company decreased by 16.2% to RMB844.5 million, primarily due to the increase in the impairment provision on fixed assets. Basic earnings per share for 2025 were 9.29 RMB cents, as compared to 11.27 RMB cents for 2024.

The year-on-year decrease in the profitability was primarily attributable to the impact of fixed asset impairment, amounting to RMB2,321.6 million for 2025 (2024: RMB392.9 million). If excluding the impairment provision, the Group’s profitability would have recorded a notable improvement — as compared to 2024 and between the first and second half of 2025. For the solar glass business, the overseas markets delivered relatively strong results, driving a recovery in the gross margin. For the renewable energy business, the revenue reached a stable level, with the amount of gross profit showing a slight decline.

## **BUSINESS REVIEW**

### ***Key PV market developments and challenges in 2025***

For the solar industry, the year of 2025 is full of challenges and uncertainties and a period of transition and adjustment. From 2022 to 2024, the global PV installations experienced an explosive growth, driven largely by a significant decline in the installation costs. However, as installation costs stabilise or even bottom out and rebound, the stimulating effect of changes in the cost on the growth in the downstream demand has diminished. Instead, the government renewable energy policies, trade measures and related tax incentive schemes have become increasingly critical for new PV project investments in 2025 and afterwards. Although the market generally expects that the annual installations in 2025 will be similar to or slightly higher than the last year's levels, the quarter-to-quarter or half-year comparisons have revealed considerable volatility due to changes in the government policies.

In China, changes to the renewable energy pricing policies and the full transition to market-based trading have prompted solar farm developers to rush to complete their projects before the new measures take effect. This has resulted in a significant disparity in the installation volume between the first and second halves of 2025. In the United States (“U.S.”), solar installations have been confronted with the higher module prices, tighter supply and increased compliance burdens due to the expanded anti-dumping and countervailing duties (AD/CVD) on the solar products from Southeast Asia, as well as the procurement restrictions driven by the Foreign Entity of Concern (FEOC) rules. These factors have led to project delays and re-tendering and the shift toward the domestic assembly. Consequently, the 2025 installation timeline and project financing arrangements were adversely affected. In the European Union (“EU”) region, the emergency support schemes introduced during the energy crisis (2022-2023) were scaled back in 2025. The phasing out of the subsidies for residential rooftop solar projects has weakened the demand in key markets, such as Austria, Belgium, Czechia, Hungary, Italy and the Netherlands.

In terms of market distribution, the global PV installation landscape continued to diversify in 2025. While China, the EU and the U.S. remained the major markets, emerging regions, such as India, Pakistan, Brazil, Southeast Asia and Africa, grow at a faster pace. The significance of these emerging markets is expected to increase during the coming years.

### ***China's PV market: policy-driven transition toward quality development***

Despite multiple challenges and a high installation rates in 2024, China's new PV installations still maintained a year-on-year growth in 2025. According to the statistics released by the National Energy Administration ("NEA"), new PV installed capacity in China reached 318 gigawatts in 2025, representing a year-on-year growth of 14.7%.

In early 2025, China introduced new renewable energy policies centered on deepening the electricity market reforms to accelerate the clean energy transition. Key measures include replacing the fixed subsidies with market-oriented pricing, applying differential settlement to stabilise the investment returns, distinguishing the existing and the new projects and improving grid integration to support the high-quality solar development.

The reform triggered an immediate market reaction. News of the impending changes prompted a rush to complete projects before implementation, pulling future demand forward. This resulted in a sharp market decline thereafter, leaving the second half of the year heavily relying on the large-scale solar power projects in desert areas to sustain the market activity. Official data indicates that the average monthly installed capacity in the second half of 2025 decreased by about 50% compared to the first half of the year. This volatility has intensified product price fluctuations which resulted in production capacity planning more difficult to be implemented. However, amid increasing power curtailment, the market-oriented pricing reform require enterprises to place greater emphasis on cost control and trading strategies, thereby enhancing the power generation efficiency and strengthening the energy storage and the intelligent dispatch capabilities.

In the long run, the reform is expected to enhance industrial efficiency, drive technological advancement, promote sustainable development and steering the solar industry from the "rapid volume growth" to the "high-quality development". Nonetheless, this development also creates revenue uncertainty and increases the competition pressure.

### ***Persistent supply-demand imbalance in the solar market***

Another key factor affecting the development of the PV market in China is how to address the imbalance between the supply and demand. It is evident that the industry's efforts to counter involutional vicious competition has significantly intensified in 2025. The anti-involution measures for the solar industry mainly focused on reducing the unplanned capacity expansion, preventing destructive competition and promoting sustainable growth. Authorities tightened the grant of approval for new manufacturing expansion and requiring alignment with realistic demand forecasts. Procurement rules discouraged ultra-low bidding, shifting emphasis toward efficiency, reliability and technological innovation. Additional support was directed to enterprises using high-efficiency modules and next-generation technologies, while industry associations coordinated the pricing benchmarks and quality standards. These policies are aimed to rebalance the sector from quantity-driven growth to quality-driven development, ensuring reasonable margins and encouraging R&D investment. While driving near-term consolidation, these measures are intended to build a more resilient and innovative solar industry for the long term.

The current structural mismatch between the supply and demand has persisted for an extended period. Since 2024, the industry has experienced price wars, patent disputes and self-regulatory initiatives, yet these efforts have had limited effect in consolidating the excess capacity. The sudden surge in demand triggered by the installation rush in the first half of 2025 resulted in a short-term market rebound. It had minimal impact on facilitating the industry consolidation and the survival of the fittest, but instead prolonged the adjustment cycle. The imbalance between the supply and demand remained unchanged in the short term, particularly in the second half of 2025.

### ***Flexible adjustment of solar glass production capacity and diversification of production base to navigate market volatility***

In 2025, the solar glass industry operated against a backdrop of persistent volatility, managing challenges from dramatic supply-demand swings, rising trade protectionism and broader geopolitical and economic uncertainties. The PV installations followed a pronounced first-half peak and second-half decline, with notable month-to-month volatility — especially evident in the Chinese market. This highly volatile market condition created significant capacity planning difficulties for the whole solar value chain, including the solar glass segment.

Solar glass, a critical component in PV modules, sees its demand affected by fluctuations in downstream installations. However, a fundamental tension exists between the changing level of demand and the inherent rigidity of production. Furnaces must operate continuously; shutting them down would result in prolonged suspension of the production lines before restarting, which will involve incurring substantial capital expenditures. Thus, adjusting the production through periodic suspension is not a viable option for addressing the short-term market shifts.

While the solar glass industry experienced a net capacity expansion in the first half of 2025, this was more than offset by reduction in the second half, resulting in an overall annual contraction. This contraction reflects the growing operational pressure that ultimately forced producers to suspend the production activities. Although certain solar module manufacturers accelerated procurement and shipments in the third quarter — driven by the speculation over potential adjustments to China’s solar export tax rebate policy — this only resulted in a brief recovery in the solar glass market. As the decline in China’s PV installations showed no significant improvement, supply-demand imbalance in the solar glass market intensified. The increasing level of inventories and the downward price pressure further accelerated the challenges, making operating conditions in the fourth quarter increasingly difficult.

Anticipating a slowdown in the downstream demand and heightened market volatility, the Group adopted decisive measures in July 2025 by suspending two solar glass production lines in China, with a total daily melting capacity of 1,800 tonnes. This decision was taken to strategically manage the inventory levels and the operational risks, while supporting industry-wide supply adjustments and alleviating the significant pricing pressure caused by the sharp drop in demand following China’s installation rush. In terms of receivable management, the Group prioritised partnerships with financially sound businesses with strong credit records and implemented stricter credit control policies. In addition to reducing costs and improving efficiency, the Group continues to invest in new product and technology research and development, while strengthening the collaboration with customers to enhance technological capabilities and product quality, fostering mutual growth and progress.

To effectively and flexibly mitigate potential risks arising from geopolitical tensions and trade barriers, the Group continues to expand production capacity overseas. The construction of the solar glass production base in Indonesia is in progress as planned. Upon completion, it will further strengthen the geographical diversification of the Group’s solar glass production capacity.

### ***Strategic optimisation of renewable energy investments***

The year of 2025 marked a critical turning point for China's renewable energy sector, as the solar power pricing policies shifted from a fixed feed-in tariff regime to a market-oriented framework. A differentiated approach is applied to existing and new projects. For existing projects, the new policies have provided a degree of transitional buffer. The scale of mechanism-based electricity is determined by the local authorities in alignment with current guaranteed electricity policies, while tariffs continue to follow the current rules and remain capped at the local coal-fired benchmark price. This ensures the policy continuity, offering relatively stable returns with limited volatility. For new projects, however, full market-oriented competition is introduced. Tariff ceilings are set below those of the existing projects, the proportion of guaranteed generation is restricted and investment returns are subject to market fluctuations, resulting in a greater volatility. Given the heightened uncertainty in investment returns under this evolving policy environment, the Group suspended the construction of new solar farm projects in 2025. Consequently, no new projects were connected to the grid during the year.

With no new utility-scale projects connected to the grid, the Group's power generation revenue remained largely unchanged in 2025 as compared to the previous year. The Company's non-wholly owned subsidiary, Xinyi Energy Holdings Limited ("**Xinyi Energy**") and its subsidiaries (together the "**Xinyi Energy Group**") accounted for 81.7% of the electricity generation revenue and other wholly-owned subsidiaries of the Company accounted for remaining of 18.3%. Regarding the disposal of the solar farm projects, the Group completed the disposal of three solar farm projects with an aggregate capacity of 230 megawatts ("**MW**") to Xinyi Energy Group in 2025. As part of its portfolio optimisation strategy, Xinyi Energy Group sold a 51% equity stake in its Tianjin solar farm project to an independent third party in 2025. This divestment was executed to unlock capital from existing assets and redeploy it toward future investment opportunities. On the other hand, Xinyi Energy Group has completed the acquisition of a wind farm project with an approved power generation capacity of 64MW prior to the end of 2025.

As of 31 December 2025, the cumulated approved grid-connected capacity of the Group's solar farm projects was 6,245MW, of which 5,841MW was for the utility-scale ground mounted projects, and 404MW was for the distributed generation projects for the Group's own consumption or sale to the grid. In terms of the ownership, the solar farm projects with a capacity of 4,785MW were held through Xinyi Energy; solar farm projects with a capacity of 1,360MW were held through certain wholly-owned subsidiaries of the Company. Solar farm projects with a capacity of 100MW was held by an entity owned as 50% by the Group.

## FINANCIAL REVIEW

In 2025, the solar glass industry continued to face a difficult operating environment, marked not only by the slowdown in the growth rate of the global PV installation but also by sharp and unpredictable swings in demand that made capacity planning highly challenging. Product prices, despite occasional rebounds, remained depressed throughout the year and even fell to a historic low in the third quarter. Against this backdrop, the Group's solar glass segment inevitably came under pressure. Although sales volume recorded an increase, the uplift was insufficient to offset the impact of falling prices, leading to a slight year-on-year decline in revenue. Gross margin showed some improvement, yet the overall net profit performance was constrained by impairment provisions on solar glass and polysilicon manufacturing facilities. Despite the absence of new grid-connected projects, increase in market-based electricity sales, and the impact of curtailment, the Group's renewable energy segment maintained relatively stable revenue, while gross profit showed a slight decline.

### Revenue

Revenue for the FY2025 was mainly derived from two core business segments, namely, the sales of solar glass and the renewable energy business.

#### *Revenue – By Product*

	Year Ended 31 December				Increase/	
	2025		2024		(Decrease)	
	<i>RMB</i>	<i>% of</i>	<i>RMB</i>	<i>% of</i>	<i>RMB</i>	<i>%</i>
	<i>million</i>	<i>revenue</i>	<i>million</i>	<i>revenue</i>	<i>million</i>	
Sales of solar glass	17,831.8	85.5	18,820.0	85.9	(988.2)	(5.3)
Renewable energy business	2,993.5	14.3	3,017.3	13.8	(23.8)	(0.8)
Unallocated	35.9	0.2	84.1	0.4	(48.2)	(57.3)
Total external revenue*	<u>20,861.2</u>	<u>100.0</u>	<u>21,921.4</u>	<u>100.0</u>	(1,060.2)	(4.8)

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

## Solar Glass Revenue – By Geographical Area

	Year Ended 31 December				Increase/ (Decrease)	
	2025		2024			
	<i>RMB</i> <i>million</i>	<i>% of</i> <i>revenue</i>	<i>RMB</i> <i>million</i>	<i>% of</i> <i>revenue</i>	<i>RMB</i> <i>million</i>	<i>%</i>
Mainland China	11,858.2	66.5	14,428.4	76.7	(2,570.2)	(17.8)
Other areas in Asia	4,110.1	23.0	3,287.7	17.5	822.4	25.0
North America and Europe	1,496.0	8.4	660.7	3.5	835.3	126.4
Others	367.5	2.1	443.2	2.4	(75.7)	(17.1)
Total solar glass revenue*	<u>17,831.8</u>	<u>100.0</u>	<u>18,820.0</u>	<u>100.0</u>	(988.2)	(5.3)

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

For the FY2025, the Group's revenue from sales of solar glass decreased by 5.3% year-on-year to RMB17,831.8 million. The decline was primarily attributable to a drop in the ASP, partly offset by increased sales volume.

During 2025, global PV installation growth slowed, with supply-demand imbalances persisting across the entire PV value chain. In China, demand plummeted in the second half of the year following a peak in installations driven by renewable energy feed-in tariff reforms. Against this backdrop, the Group adopted a prudent business strategy and strengthened risk management. Based on the Group's operating capacity, the average daily melting volume of solar glass was 23,200 tonnes in the first half of 2025, declining to 21,400 tonnes in the second half. Despite the production decline, reduced inventory enabled the Group to achieve a 4.2% increase in annual sales volume (measured in tonnes).

In 2025, the Group's overseas sales of solar glass recorded a year-on-year increase of 36.0% and the proportion of overseas sales rose from 23.3% in 2024 to 33.5% in 2025. This growth was primarily driven by rising demand in the U.S. and India, following the commissioning of new solar module capacity in these markets. Overseas-produced solar glass typically commands a price premium due to limited local supply, trade tariffs, and logistical advantages. The Group's ongoing overseas capacity expansion — including operational facilities in Malaysia and a new production base under construction in Indonesia — is strategically positioned to enhance its competitiveness abroad and navigate growing trade barriers.

Except for a few months, solar glass product prices remained largely depressed throughout 2025. In China, a surge in installations between March and May, driven by the reforms to renewable energy feed-in tariff policies, provided some support for a brief price rebound. However, following this rally, prices fell to historic lows in July. In August and September, rumors about changes in the export tax rebate policies prompted some solar module manufacturers to place orders in advance, but this provided only temporary support for solar glass prices. By the year-end, prices had retreated back to their previous lows.

For the FY2025, the Group’s revenue from power generation in the renewable energy segment was primarily attributable to solar farms located in China, as set forth below:

	<b>Approved grid-connected capacity</b>		
	<b>As of</b>	As of	As of
	<b>31 December</b>	30 June	31 December
	<b>2025</b>	2025	2024
	<b>MW</b>	MW	MW
Utility-scale ground-mounted solar farms			
Anhui	<b>2,037</b>	2,037	2,037
Hubei	<b>980</b>	980	980
Guangdong	<b>750</b>	750	750
Yunnan	<b>560</b>	560	560
Guangxi	<b>500</b>	500	500
Others (Tianjin, Henan, Hebei, etc.)	<b>914</b>	914	914
Sub-total	<b>5,741</b>	5,741	5,741
Commercial distributed generation projects	<b>80</b>	80	78
Total	<b>5,821</b>	5,821	5,819
Utility-scale ground-mounted solar farms			
Total number of solar farms	<b>61</b>	61	61
Weighted average feed-in-tariff (“FiT”) * (RMB/kWh)	<b>0.57</b>	0.57	0.57

- \* The weighted average FiT rate is proportionally weighted according to the base FiT (after taking into account the possible deduction of tariff adjustment on solar farm projects not included in the first qualified project list published on 28 October 2022) and the approved grid-connection capacity of each solar farm, and is provided for information purposes only. The actual electricity prices for certain solar farms were determined through market-based trading mechanisms. As the electricity market reforms advance and market-oriented policies are implemented across provinces, the actual electricity sales price may diverge from the above base FiT.

Revenue from the renewable energy segment remained relatively stable, amounting to RMB2,993.5 million in 2025 (2024: RMB3,017.3 million). In view of the increased uncertainties regarding project investment returns, the Group adopted a more prudent approach to the development and construction of new solar farm projects, with no additional solar farms connected to the grid in 2025. Furthermore, the increase in power curtailments in certain regions has also contributed to the slight drop in power generation revenue.

The majority of provincial policies on renewable energy feed-in tariff reforms had been announced in the second half of 2025, but 2025 served merely as a transitional period for the reforms, with the substantive impacts expected to emerge starting in 2026. Actually, the new policy framework has provided certain buffers for the existing projects, including (i) projects entitled to government subsidies continue to receive subsidies in accordance with the original standards within the reasonable utilisation hours over their full lifecycle and (ii) existing projects may, on an annual basis, determine a portion of their output to be sold at a fixed “mechanism tariff” (not exceeding the benchmark coal-fired tariff), with the remaining output subject to market-based trading. To address the challenges and seize the opportunities arising from market-oriented reforms, the Group has established a dedicated professional team to study and analyse changes in the electricity market, sales strategies, and project returns, with the aim of identifying high-quality projects and enhancing the profitability of existing projects.

Similar to other solar and wind farm operators in the PRC, the Group has experienced delays in receiving government subsidies related to the electricity generation of its subsidised solar farm and wind farm projects<sup>#</sup>. As of 31 December 2025, the Group’s outstanding tariff adjustment (subsidy) receivable amounted to RMB4,751.2 million. Receivables from sales of electricity are generally settled on a monthly basis by state grid companies, while tariff adjustment (subsidy) receivables are settled in accordance with prevailing government policies.

- <sup>#</sup> The wind farm project, with an approved generation capacity of 64MW, was acquired by the Group’s subsidiary, Xinyi Energy, before the end of 2025.

## **Gross profit**

The Group's gross profit rose by RMB595.0 million, representing an increase of 15.4%, from RMB3,866.0 million in 2024 to RMB4,461.0 million in 2025. Overall gross profit margin rose from 17.6% in 2024 to 21.4% in 2025, primarily driven by the improved margins in the solar glass business.

In 2025, the gross profit margin of the solar glass business expanded by 4.4 percentage points to 14.1% (2024: 9.7%). This improvement was mainly attributable to (i) reduced procurement costs for certain raw materials and energy, particularly soda ash, silica sand, and natural gas; (ii) technological advancements that enhanced product yield rate and reduced energy consumption per unit; and (iii) stricter cost controls and streamlined production processes. These positive factors were partially offset by (i) a year-on-year decline in ASP and (ii) the absorption of fixed costs, including depreciation and maintenance, associated with certain idled production facilities.

For the Group's renewable energy business, gross profit contribution decreased slightly by 4.6% to RMB1,938.4 million in 2025 (2024: RMB2,031.0 million). The segment's gross profit margin decreased to 64.8% in 2025 (2024: 67.3%), primarily due to (i) reduced revenue contributions from solar farm projects in certain regions due to grid curtailment measures and (ii) increased depreciation and component expenses.

## **Other income**

During the year, the Group's other income increased by RMB40.4 million to RMB314.3 million, as compared to the RMB273.9 million recorded in 2024. The increase was mainly due to the increase in government grant income, insurance compensation, and rental and other miscellaneous income, partially offset by a decrease in scrap sales.

## **Other gains/(losses) — net**

The Group recorded other gains – net of RMB131.7 million in 2025, compared to other losses – net of RMB258.4 million in 2024. The major changes comprised (i) a gain on the disposal of a 51% equity interest in a subsidiary (see note 18 for more details); and (ii) a reduction in net foreign exchange losses, from RMB213.0 million in 2024 to RMB15.2 million in 2025.

## **Selling and marketing expenses**

Despite solar glass sales volume recorded a slight increase, the Group's selling and marketing expenses declined as a result of cost-saving measures, decreasing from RMB127.0 million in 2024 to RMB111.7 million in 2025. Selling and marketing expenses as a percentage of solar glass revenue remained relatively stable, at 0.6% in 2025 compared to 0.7% in 2024.

## **Administrative and other operating expenses**

Administrative and other operating expenses decreased by RMB20.3 million, or 2.0%, from RMB1,019.3 million in 2024 to RMB999.0 million in 2025. The decrease was primarily attributable to cost-control measures and the slower pace of business expansion, which led to a reduction in headcount and corresponding office expenditures. The primary changes comprised (i) a reduction in research and development expenses of RMB39.9 million and (ii) a decrease in miscellaneous administrative expenses of RMB33.3 million, partially offset by increases in property tax, stamp duty and administrative surcharge of RMB51.9 million.

## **Impairment losses on property, plant and equipment**

In response to supply–demand imbalances and in line with its prudent operating strategy, the Group suspended part of its solar glass production capacity and did not commence the polysilicon manufacturing during the year. Based on the latest market conditions and industry dynamics, and in conjunction with internal analysis, prevailing market data and external assessment results, impairment provisions were recognised for solar glass production lines and polysilicon manufacturing facilities, amounting to RMB724.7 million and RMB1,596.8 million, respectively. For further details, please refer to note 7 to this announcement.

## **Finance costs**

Finance costs decreased from RMB432.1 million (or RMB507.6 million before capitalisation) in 2024 to RMB339.7 million (or RMB395.7 million before capitalisation) in 2025. The decline was mainly due to the decrease in interest rates, partially offset by the increase in average bank borrowings. To benefit from lower interest rates on Renminbi borrowings compared to US dollar borrowings, the Group converted the majority of its bank borrowings into RMB-denominated loans during the year. Consequently, the Group's weighted average bank borrowing rate declined compared with previous years.

During the year, interest expense of RMB56.0 million (2024: RMB75.5 million) was capitalised in the cost of solar glass, solar farms and polysilicon production facilities under construction. These capitalised amounts will depreciate together with the related assets over their estimated useful lives.

### **Share of results of investments accounted for using the equity method**

In 2025, the Group's share of net profits of investments accounted for using the equity method was RMB14.4 million (2024: RMB17.4 million). The profit contribution from these investments was mainly derived from a 100MW solar farm project in Anhui Province, China, in which the Group has a 50% equity stake.

### **Income tax expense**

Income tax expense decreased from RMB526.2 million in 2024 to RMB492.3 million in 2025. The decrease was primarily attributable to (i) lower withholding tax expenses arising from dividend distributions by subsidiaries in the PRC and (ii) increase in deferred tax credits. This was partially offset by (i) higher tax expenses resulting from increased profit contributions of the solar glass business compared to the prior year and (ii) tax incurred on the gain from the disposal of a 51% equity interest in a subsidiary.

The Group's overall effective tax rate increased from 27.2% in 2024 to 42.7% in 2025, reflecting the impact of certain impairment provisions for property, plant and equipment that are not deductible for tax purposes or do not result in the recognition of deferred tax assets.

### **EBITDA and net profit**

In 2025, the Group's EBITDA (earnings before interest, taxation, depreciation and amortisation) amounted to RMB3,665.1 million, representing a decrease of 16.6%, as compared to RMB4,392.8 million in 2024. The EBITDA margin (calculated on the basis of total revenue for the year) was 17.6% in 2025, compared to 20.0% in 2024.

Net profit attributable to equity holders of the Company in 2025 was RMB844.5 million, representing a decrease of 16.2% compared to RMB1,008.2 million in 2024. Net profit margin attributable to equity holders of the Company decreased to 4.0% in 2025 from 4.6% in 2024, mainly due to impairment provision for polysilicon manufacturing facilities and idled solar glass production lines, partially offset by (i) the improvement in profit margin of solar glass business; (ii) gains on disposal of subsidiaries; and (iii) reduction in finance costs and administrative and other operating expenses.

### **Financial resources and liquidity**

For the FY2025, the Group's total assets remained stable at RMB56,916.1 million, while shareholders' equity rose 2.7% to RMB29,831.8 million. The Group's current ratio as of 31 December 2025 was 1.53 compared to 1.14 as of 31 December 2024. The improvement in the current ratio was primarily attributable to the Group's adoption of a more prudent financial management strategy, which strengthened financial resilience and enhanced its ability to mitigate potential impacts from cyclical market fluctuations.

For the FY2025, the Group primarily financed its operations through internally generated cash flows, bank borrowings and bond financing. Net cash generated from operating activities amounted to RMB5,656.2 million (2024: RMB1,235.1 million). The increase in net cash inflow was primarily attributable to improved profitability, reduced inventory levels and the release of working capital resulting from a slower pace of expansion. Net cash used in investing activities amounted to RMB1,749.3 million (2024: RMB3,769.2 million). The year-on-year decrease was primarily due to a reduction in capital expenditures, reflecting a slowdown in the Group's capacity expansion pace. Net cash generated from financing activities amounted to RMB260.8 million (2024: RMB773.0 million). During the year, the Group secured new bank borrowings of RMB7,567.8 million, repaid bank borrowings of RMB7,891.2 million, and issued 3-year fixed-rate bonds amounting to RMB800 million.

As of 31 December 2025, the Group's net debt gearing ratio (calculated as total borrowings less cash and cash bank balances divided by total equity) was 20.1% (2024: 31.0%). The change in the Group's gearing ratio was mainly due to the increase in cash and bank balances.

## BUSINESS OUTLOOK

Given China's dominant position in the global PV market — accounting for more than 40% or even over 50% of the global annual new installations in the past two years — its development is particularly critical to the overall global PV landscape. Looking ahead to 2026, with China's solar power pricing policy shifting from the previous “guaranteed volume and price” model to “market-oriented pricing”, investment in new solar projects is expected to decline significantly compared to the previous years. It is generally expected that China's newly installed PV capacity will likely experience a year-on-year decrease. Although overseas markets are projected to maintain the growth momentum, these markets also have their own uncertainties. In the U.S., the tightening of the solar project approvals, the gradual phase-out of tax incentives and the ongoing policy uncertainties are contributing to a slowdown in new installations. The EU also lacks significant positive factors to reverse its contraction since 2025. Only a handful of countries and regions, notably India and Africa, are expected to have a substantial growth. Against this backdrop, the sustaining annual growth in PV additions presents a critical challenge in 2026, raising the prospect of the first year-on-year decline in the global PV installations in nearly two decades.

While the potential decline in global PV installations in 2026 can be largely attributed to policy shifts in several key countries, the fundamental competitiveness of the solar power, as compared to fossil fuels and other renewable sources, remains undiminished. As long as electricity demand continues to grow, solar energy retains substantial potential for future expansion. According to the International Energy Agency's *Electricity Mid-Year Update 2025*, global power demand is projected to increase by 3.3% in 2025 and 3.7% in 2026. Beyond traditional drivers such as industrial, commercial, and residential consumption, new trends in power usage are rapidly emerging. The widespread adoption of electric vehicles, coupled with surging energy needs from artificial intelligence and data centers, is injecting further momentum into the solar demand growth. With the significant decline in the solar power generation costs, advancements in energy storage technologies and the deployment of smart grids, solar energy's share in the energy mix is expected to continue growing. Solar power is projected to remain the most widely adopted and fastest-growing energy source for the foreseeable future.

Beyond fluctuations in downstream installation demand, the development of the solar glass market also hinges on changes in the industry capacity. Throughout 2025, some new production lines were commissioned while others were suspended. By year-end, the operational capacity saw a slight decrease, as compared to the beginning of the year, though the change remained marginal. In addition, certain of idle capacity — including facilities that have been constructed but not yet activated, as well as those undergoing cold repairs pending restart — remained in place, albeit at a reduced level, as compared to the previous year. Looking ahead to 2026, the first quarter is expected to remain the traditional off-season for solar installations. However, China’s cancellation of the value-added tax rebate policy for solar product exports may boost the demand in the short term. In the broader context, though, the slowdown in the downstream demand is becoming increasingly evident, while the supply-side adjustments continue to lag. As a result, restoring supply-demand equilibrium in the solar glass market may prove more challenging in 2026 than it was in 2025.

Amidst an uncertain operating environment and intensifying market competition, the Group will adhere to the principle of prioritising quality, shifting its development focus from pursuing “quantity” to pursuing “excellence”, thereby the Group is expected to be in a better position to meet the diverse needs of customers. While strengthening the cost-reduction and efficiency-enhancement measures, it will continue leveraging its advantages in the production scale, product quality, diversification and technological innovation to respond swiftly to market shifts. The Group will pursue a prudent and pragmatic financial management strategy to appropriately control operational risks.

As of 31 December 2025, the Group’s total operational solar glass daily melting capacity was 21,400 tonnes per day. Furthermore, the Group maintains certain excess capacity that can be reactivated in response to the changing market conditions. Meanwhile, as part of the first phase of development of the production site in Indonesia, the Group planned to add two new solar glass production lines with an aggregate daily melting capacity of 2,400 tonnes in 2026, with the first line having commenced operation in January and the second line expected to begin production in the second quarter. In addition, the planning for the second phase has started, with the scale of daily melting capacity projected at 2,300 tonnes. The launch of the Indonesian production base will enhance the Group’s ability to mitigate geopolitical risks and navigate trade barriers more effectively. Going forward, the Group will continue to assess opportunities for further expansion in strategic locations and will adjust its production capacity in line with market developments.

With the nationwide implementation of market-oriented reforms to feed-in tariffs, China's solar power industry has transitioned away from the fixed-price era. Revenue from solar power generation now derives from a hybrid model combining the market-oriented trading and price-difference compensation, rather than relying solely on guaranteed feed-in-tariff regime. This change has resulted in a significantly higher income volatility. Amid the growing investment return uncertainty, the Group's solar farm development strategy has shifted from "scale expansion" to "refined operations". This entails more selective in the site and layout planning, reinforced cost control and a focus on the regions with strong electricity demand, high grid absorption capacity and favorable resource conditions — including abundant solar irradiation and lower non-technical costs. In addition, the Group will implement refined management of power marketing and trading strategies across the full project lifecycle, integrating green electricity trading and the use of energy storage systems to enhance revenue levels.

As the new policy has only recently been introduced, the regional bidding results for new PV projects reveal significant disparities, with wide price gaps between high- and low-price areas. These differences reflect provincial variations in solar resources, grid absorption capacity, development costs and policy orientation. In response, the Group will adopt a more cautious development strategy with the target in 2026 for the new grid-connected capacity expected to continue to be at a low level as compared to the historical average of approximately 500 MW per year over the past five years.

Currently, the solar supply chain remains in an adjustment phase of over-capacity. While short-term challenges are unavoidable, the long-term fundamentals remain solid. Under the global carbon neutrality agenda, demand for solar energy will continue to expand. Technological innovation will drive cost reductions and efficiency gains, while policy guidance will support capacity rationalisation. Altogether, these forces will steer the industry from "involution" toward "high-quality development," fostering a more efficient and sustainable industrial ecosystem.

To navigate this transition and reinforce its market leadership, the Group will rigorously execute its three-pillar strategy — operational excellence, prudent financial management and technological leadership. It will strive to enhance the sustainability and resilience of its two core businesses (solar glass and renewable energy) and pursue new growth opportunities, thereby delivering greater long-term economic value to shareholders.

## **CAPITAL EXPENDITURES AND COMMITMENTS**

The Group incurred capital expenditures of RMB2,531.5 million for the FY2025 which was primarily used in the expansion and upgrade of solar glass production capacity, the development of new solar farm projects and the balance payment for the polysilicon manufacturing facility. Capital commitments contracted for but not incurred by the Group as of 31 December 2025 amounted to RMB715.0 million, which were mainly related to the addition/upgrade of solar glass production facilities and development and construction of the solar farm projects.

## **PLEDGE OF ASSETS**

As of 31 December 2025, bills receivables of RMB82.6 million (2024: RMB82.2 million) was pledged as collaterals for obtaining letter of credit facilities in the PRC. Bills receivables of nil (2024: 2.8 million) was pledged as collaterals for obtaining bank acceptance bill. Bills receivables of RMB363.8 million (2024: RMB967.9 million) was transferred to banks for obtaining bank borrowings.

## **CONTINGENT LIABILITIES**

As of 31 December 2025, the Group did not have any significant contingent liabilities.

## **MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES**

Save as disclosed in notes 16 to 18 to this announcement, there was no material acquisition and disposal of subsidiaries and associated companies during the FY2025.

## **EVENTS AFTER THE REPORTING PERIOD**

No significant event has taken place subsequent to 31 December 2025 and up to the date of this announcement.

## **TREASURY POLICIES AND EXPOSURE TO FLUCTUATION IN FOREIGN EXCHANGE RATES**

The Group's consolidated financial statements are presented in RMB, which is also the functional currency of its principal subsidiaries, whereas the Company's functional currency is HKD. As the majority of the Group's business transactions are denominated in RMB and most of its assets are located in the PRC, the Group is not materially exposed to foreign exchange risk as a whole on a group basis.

Within the Group's solar glass segment, certain subsidiary revenues and operating expenses are denominated in foreign currencies such as the USD, Malaysian Ringgit and Indonesian Rupiah, resulting in foreign exchange rate exposure. Currency fluctuations during financial statement translation or the repatriation of earnings, equity investments, or loans may affect the Group's financial performance.

For the Group's renewable energy business, nearly all revenue is denominated in RMB. Foreign exchange risk has been substantially reduced as nearly all HKD-denominated bank borrowings were converted into RMB borrowings, thereby eliminating most currency mismatch concerns.

The Group manages currency exposure primarily through natural hedging and does not engage in speculative foreign exchange activities. Hedging decisions are periodically reviewed in light of exposure levels and anticipated exchange rate movements. The Group has not experienced any significant difficulties or liquidity issues arising from currency exchange fluctuations. For the FY2025, no financial hedging instruments were employed, other than a cross-currency swap used to convert a foreign-currency bank loan into RMB-denominated debt.

## **EMPLOYEES AND REMUNERATION POLICY**

As of 31 December 2025, the Group had about 7,712 full-time employees, with 6,306 based in Mainland China and 1,406 in other territories. The total staff costs, including the emoluments of the Directors, amounted to RMB1,136.0 million for the FY2025.

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

## **SHARE OPTION SCHEME**

Pursuant to the share option scheme adopted by the Company in May 2024, an aggregate of 17,050,000 share options were granted to selected employees and an executive Director in March 2025. The share options are valid from 28 March 2025 to 31 March 2029. One third of the share options would be vested on each year-end date of 2025, 2026 and 2027 if the relevant grantee has satisfied the conditions of vesting as stated in the letter of grant.

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

During the FY2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including the treasury shares).

## **CORPORATE GOVERNANCE**

The Directors confirmed that the Company has complied with the applicable code provisions in the Corporate Governance Code (the “**Code**”) set forth in Part 2 of Appendix C1 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) for the FY2025 save for the below deviation.

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

## **REVIEW BY AUDIT COMMITTEE**

The audit committee (the “**Audit Committee**”) has reviewed the consolidated financial statements of the Group for the FY2025. The members of the Audit Committee of the Board are Ms. LEONG Chong Peng, Mr. LO Wan Sing, Vincent and Mr. KAN E-ting, Martin, all of them are independent non-executive Directors. Ms. LEONG Chong Peng is the chairperson of the Audit Committee.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted The Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set forth in Appendix C3 to the Listing Rules as the code of conduct for securities transactions by the Directors. Having made specific enquiries to the Directors, all Directors confirmed that they had complied with the required standard of dealings as set forth in the Model Code throughout the FY2025.

## **PUBLIC FLOAT**

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

## **PUBLICATION OF ANNUAL REPORT**

The annual report of the Company for the FY2025 containing all the information required by the Listing Rules and other applicable laws and regulations will be despatched to the Shareholders and published on the websites of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Company in due course.

## **SCOPE OF WORK OF AUDITOR**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the FY2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Ernst & Young, to the amounts set out in the Group’s consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Ernst & Young on the preliminary announcement.

## **FINAL DIVIDEND**

At the meeting of the Board held on 27 February 2026, the Directors proposed a final dividend (the “**Final Dividend**”) of 0.8 HK cents per share for the FY2025. The recommendation of the payment of the Final Dividend is subject to the approval of the Shareholders at the AGM to be held on Friday, 29 May 2026. If approved by the Shareholders, it is expected that the Final Dividend will be paid to the Shareholders whose names appear on the register of members of the Company on Monday, 8 June 2026.

## **AGM AND CLOSURE OF REGISTER OF MEMBERS**

The AGM will be held on Friday, 29 May 2026. The register of members of the Company will be closed from Tuesday, 26 May 2026 to Friday, 29 May 2026, both days inclusive, during which period no transfer of shares will be registered. The record date for entitlement to attend and vote at the AGM is Friday, 29 May 2026. In order to determine the entitlement to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 22 May 2026.

The register of members of the Company will be closed from Thursday, 4 June 2026 to Monday, 8 June 2026, both days inclusive, during which period no transfer of shares will be registered. The record date for entitlement to the Final Dividend is Monday, 8 June 2026. In order to qualify for the Final Dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 3 June 2026.

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

Hong Kong, 27 February 2026

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

*This announcement will be published on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and Xinyi Solar at [www.xinyisolar.com](http://www.xinyisolar.com).*