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XINDA INVESTMENT HOLDINGS LIMITED

鑫達投資控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1281)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Xinda Investment Holdings Limited (the “**Company**”) announces the audited consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**”) together with the comparative figures for the year ended 31 December 2024 as follows:

Consolidated Statement of Profit or Loss

For the year ended 31 December 2025

| | <i>Notes</i> | 2025 <i>RMB’000</i> | 2024 <i>RMB’000</i> |
|---|--------------|-------------------------------|------------------------|
| Revenue | 3(a) | 140,000 | 114,231 |
| Cost of sales | 4 | (113,700) | <u>(83,579)</u> |
| Gross profit | | 26,300 | 30,652 |
| Selling and distribution expenses | 4 | — | (176) |
| Administrative expenses | 4 | (14,927) | (16,877) |
| Impairment losses on non-financial assets | 4 | (8,981) | (33,322) |
| Reversal of/(provision for) impairment loss on financial assets | 5 | 4,333 | (18,653) |
| Other income | | 263 | 107 |
| Other gains and losses — net | 6 | 6,073 | <u>1,511</u> |
| Operating profit/(loss) | | 13,061 | (36,758) |

Consolidated Statement of Profit or Loss (Continued)

For the year ended 31 December 2025

| | | 2025 | 2024 |
|---|--------------|----------------------|------------------------|
| | <i>Notes</i> | <i>RMB'000</i> | <i>RMB'000</i> |
| Finance income | | 3,329 | 3,823 |
| Finance expenses | | <u>(5,851)</u> | <u>(9,376)</u> |
| Finance expenses — net | | (2,522) | (5,553) |
| Share of net profit of associates accounted for using the equity method | | <u>—</u> | <u>—</u> |
| Profit/(loss) before income tax | | 10,539 | (42,311) |
| Income tax credit | 7 | <u>102</u> | <u>1,383</u> |
| Profit/(loss) for the year | | <u>10,641</u> | <u>(40,928)</u> |
| Profit/(loss) for the year is attributable to: | | | |
| Owners of the Company | | 12,909 | (24,418) |
| Non-controlling interests | | <u>(2,268)</u> | <u>(16,510)</u> |
| | | <u>10,641</u> | <u>(40,928)</u> |
| Profit/(loss) per share for profit/(loss) attributable to owners of the Company (RMB): | | | |
| Basic | 8 | <u>0.0087</u> | <u>(0.0164)</u> |
| Diluted | 8 | <u>0.0087</u> | <u>(0.0164)</u> |

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|--|------------------------|------------------------|
| Profit/(loss) for the year | 10,641 | (40,928) |
| Other comprehensive income | | |
| <i>Item that may be reclassified subsequently to profit or loss</i> | | |
| Exchange differences on translation of financial statements of foreign operations | <u>3,068</u> | <u>(2,492)</u> |
| Other comprehensive income for the year, net of tax | <u>3,068</u> | <u>(2,492)</u> |
| Total comprehensive income for the year | <u>13,709</u> | <u>(43,420)</u> |
| Total comprehensive income for the year attributable to: | | |
| Owners of the Company | 15,977 | (26,910) |
| Non-controlling interests | <u>(2,268)</u> | <u>(16,510)</u> |
| | <u>13,709</u> | <u>(43,420)</u> |

Consolidated Statement of Financial Position

As at 31 December 2025

| | <i>Notes</i> | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|--|--------------|-------------------------------|------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | | 257,870 | 284,692 |
| Right-of-use assets | | 11,351 | 12,566 |
| Intangible assets | | 53,300 | 64,861 |
| Investment properties | | 12,901 | 5,194 |
| Deferred tax assets | | 3,538 | 3,593 |
| Investments accounted for using the equity method | | — | — |
| Deposits | 11 | 23,570 | 23,570 |
| Other non-current assets | | — | 9,058 |
| Total non-current assets | | <u>362,530</u> | <u>403,534</u> |
| Current assets | | | |
| Inventories | | 2,474 | 2,954 |
| Contract assets | 9 | 121,471 | 171,215 |
| Trade and other receivables | 11 | 261,938 | 269,477 |
| Other financial assets measured at amortised cost | 10 | — | — |
| Restricted cash | | 32,585 | 1,885 |
| Time deposits with original maturity over three months | | 164,764 | 177,934 |
| Cash and cash equivalents | | 88,330 | 41,649 |
| Total current assets | | <u>671,562</u> | <u>665,114</u> |
| Total assets | | <u>1,034,092</u> | <u>1,068,648</u> |
| Equity and liabilities | | | |
| Share capital | | 12,255 | 12,255 |
| Reserves | | 1,157,089 | 1,151,125 |
| Accumulated losses | | <u>(332,172)</u> | <u>(342,185)</u> |
| Equity attributable to owners of the Company | | 837,172 | 821,195 |
| Non-controlling interests | | <u>(15,470)</u> | <u>(13,202)</u> |
| Total equity | | <u>821,702</u> | <u>807,993</u> |

Consolidated Statement of Financial Position (Continued)

As at 31 December 2025

| | <i>Notes</i> | 2025 RMB'000 | 2024 <i>RMB'000</i> |
|--------------------------------------|--------------|-------------------------------|------------------------|
| Liabilities | | | |
| Non-current liabilities | | | |
| Borrowings | | 65,100 | 90,600 |
| Lease liabilities | | 11,758 | 11,913 |
| Deferred government grants | | 1,639 | 1,745 |
| Deferred tax liabilities | | 14,437 | 15,015 |
| Contract liabilities | | 19,272 | 19,732 |
| Total non-current liabilities | | 112,206 | 139,005 |
| Current liabilities | | | |
| Trade and other payables | 12 | 43,070 | 58,070 |
| Contract liabilities | | 7,409 | 7,944 |
| Current tax liabilities | | 8,820 | 11,750 |
| Borrowings | | 40,200 | 43,000 |
| Lease liabilities | | 685 | 886 |
| Total current liabilities | | 100,184 | 121,650 |
| Total liabilities | | 212,390 | 260,655 |
| Total equity and liabilities | | 1,034,092 | 1,068,648 |

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

1. GENERAL INFORMATION

Xinda Investment Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 4 January 2011 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, the Cayman Islands. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited since 12 January 2012.

The Company and its subsidiaries (together the “Group”) are principally engaged in smart energy business and public infrastructure construction business. For this reporting period, two major shareholders of the Company are Harvest Oak Holdings Limited and Lightway Power Holdings Limited. The ultimate beneficial owner of the Company is Mr. Wei Shaojun (the “Controlling Shareholder”).

2. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with all International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and Interpretations (collectively “IFRS Accounting Standards”) and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared on a historical cost basis.

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). As the Group’s operations are principally conducted in the PRC, the consolidated financial statements have been presented in the Chinese Renminbi (“RMB”) rather than its functional currency of HK\$.

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

2.1 New standards, interpretations and amendments adopted by the Group

The Group has adopted amendments to IAS 21 Lack of Exchangeability for the first time for the current year’s financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IAS 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. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries and associates for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s financial statements.

2.2 New standards, interpretations and amendments not yet effective

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

| | |
|--|--|
| IFRS 18 | Presentation and Disclosure in Financial Statements ² |
| IFRS 19 and its amendments | Subsidiaries without Public Accountability: Disclosures ² |
| Amendments to IFRS 9 and IFRS 7 | Amendments to the Classification and Measurement of Financial Instruments ¹ |
| Amendments to IFRS 9 and IFRS 7 | Contracts Referencing Nature-dependent Electricity ¹ |
| Amendments to IFRS 10 and IAS 28 (2011) | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ |
| Amendments to IAS 21 | Translation to a Hyperinflationary Presentation Currency ² |
| Annual Improvements to IFRS Accounting Standards — Volume 11 | Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 ¹ |

¹ Effective for annual periods beginning on or after 1 January 2026

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

³ No mandatory effective date yet determined but available for adoption

Except for the adoption of IFRS 18 stated below, these amendments to standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the consolidated statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

3. REVENUE AND SEGMENT INFORMATION

(a) Revenue

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|--|------------------------|------------------------|
| Sales of electricity | 54,040 | 61,899 |
| Sales of household solar power generation systems and rendering smart energy services | 26,255 | 23,607 |
| Public infrastructure construction | <u>59,705</u> | <u>28,725</u> |
| | <u>140,000</u> | <u>114,231</u> |
| <i>Timing of revenue recognition</i> | | |
| At a point in time | 66,047 | 73,465 |
| Over time | <u>73,953</u> | <u>40,766</u> |
| | <u>140,000</u> | <u>114,231</u> |

For the year ended 31 December 2025, revenue of approximately RMB59,705,000 (2024: RMB28,725,000) was derived from a single external customer, which exceeded 10% of the Group's total revenue. Such revenue was attributed to the public infrastructure construction business segment.

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group presents the following two reportable segments:

- Smart energy business, and
- Public infrastructure construction business.

No geographical information is presented as substantially all of the Group's business activities were in the People's Republic of China (the "PRC").

(c) Reportable segment profit or loss, assets and liabilities

| | Smart energy business <i>RMB'000</i> | Public infrastructure construction business <i>RMB'000</i> | Unallocated <i>RMB'000</i> | Intersegment eliminations <i>RMB'000</i> | Total <i>RMB'000</i> |
|--|---|--|-------------------------------|--|-------------------------|
| Year ended 31 December 2025 | | | | | |
| Revenue from external customers | 80,295 | 59,705 | — | — | 140,000 |
| Reversal of impairment losses on financial assets | 833 | — | — | — | 833 |
| Reversal of impairment losses on other financial assets measured at amortised cost | 3,500 | — | — | — | 3,500 |
| Gain on derecognition for portion of other financial assets measured at amortised cost settled by investment properties | 7,869 | — | — | — | 7,869 |
| Impairment losses on goodwill | (8,981) | — | — | — | (8,981) |
| Net gain on disposal on property, plant and equipment | 4,050 | — | — | — | 4,050 |
| Finance income | 2,808 | 5 | 516 | — | 3,329 |
| Finance expenses | (5,851) | — | — | — | (5,851) |
| Income tax credit | 102 | — | — | — | 102 |
| Profit/(loss) for the year | 12,688 | 3,073 | (5,120) | — | 10,641 |
| Other information | | | | | |
| Depreciation and amortisation | (27,438) | — | (16) | — | (27,454) |
| Additions to non-current assets (Note) | (8,719) | — | — | — | (8,719) |
| As at 31 December 2025 | | | | | |
| Reportable segment assets | 919,242 | 184,215 | 360,823 | (430,188) | 1,034,092 |
| Reportable segment liabilities | 498,496 | 142,850 | 1,232 | (430,188) | 212,390 |

| | Smart energy business RMB'000 | Public infrastructure construction business RMB'000 | Unallocated RMB'000 | Intersegment eliminations RMB'000 | Total RMB'000 |
|---|--|---|------------------------|---|------------------|
| Year ended 31 December 2024 | | | | | |
| Revenue from external customers | 85,506 | 28,725 | — | — | 114,231 |
| Impairment losses | | | | | |
| on financial assets | (18,653) | — | — | — | (18,653) |
| Impairment losses on property, plant and equipment | (30,474) | — | — | — | (30,474) |
| Impairment losses on right-of-use assets | (2,848) | — | — | — | (2,848) |
| Loss on written-off on property, plant and equipment | (31) | — | — | — | (31) |
| Finance income | 2,541 | 8 | 1,274 | — | 3,823 |
| Finance expenses | (9,376) | — | — | — | (9,376) |
| Income tax credit | 1,383 | — | — | — | 1,383 |
| Loss for the year | (37,704) | (279) | (2,945) | — | (40,928) |
| Other information | | | | | |
| Depreciation and amortisation | (31,131) | — | (3) | — | (31,134) |
| Additions to non-current assets (Note) | (3,342) | — | — | — | (3,342) |
| As at 31 December 2024 | | | | | |
| Reportable segment assets | 919,052 | 211,305 | 366,745 | (428,454) | 1,068,648 |
| Reportable segment liabilities | <u>514,467</u> | <u>173,014</u> | <u>1,628</u> | <u>(428,454)</u> | <u>260,655</u> |

Note: Additions to non-current assets exclude financial assets and deferred tax assets.

4. EXPENSES BY NATURE

Cost of sales, selling and distribution expenses, administrative expenses and impairment loss on non-financial assets in the consolidated statement of profit or loss are listed by nature as follows:

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|---|------------------------|------------------------|
| Changes in inventories of finished goods | 518 | 1,853 |
| Subcontract costs | 55,657 | 26,317 |
| Heat supply costs | 14,310 | 11,140 |
| Employee benefit expense | 12,159 | 12,802 |
| Depreciation and amortisation | 27,454 | 31,134 |
| Consulting and legal fees | 4,316 | 3,800 |
| Repair and maintenance expenses | 8,330 | 7,068 |
| Transportation and travelling expenses | 489 | 318 |
| Short term lease expenses and low-value assets lease expenses | 260 | 1,120 |
| Impairment losses on non-financial assets | 8,981 | 33,322 |
| — property, plant and equipment | — | 30,474 |
| — right-of-use assets | — | 2,848 |
| — goodwill | 8,981 | — |
| Utilities | 2,793 | 2,712 |
| Auditor's remuneration | | |
| — Audit services | 1,110 | 1,285 |
| — Non-audit services | 180 | 180 |
| Others | 1,051 | 903 |
| Total cost of sales, selling and distribution expenses, administrative expenses and impairment losses on non-financial assets | <u>137,608</u> | <u>133,954</u> |

5. (REVERSAL OF)/PROVISION FOR IMPAIRMENT LOSSES ON FINANCIAL ASSETS

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|--|------------------------|------------------------|
| Reversal of impairment losses on other financial assets measured at amortised cost | (3,500) | (8,621) |
| (Reversal of)/provision for impairment losses on trade and other receivables | (833) | 27,274 |
| | <u>(4,333)</u> | <u>18,653</u> |

6. OTHER GAINS AND LOSSES — NET

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|--|------------------------|------------------------|
| Net foreign exchange (losses)/gains | (356) | 688 |
| Net losses on written-off on property, plant and equipment | — | (31) |
| Net gain on disposal on property, plant and equipment | 4,050 | — |
| Net losses on written-off on other non-current assets | (5,043) | — |
| Net losses on disposal of subsidiaries | (733) | — |
| Gain on derecognition for portion of other financial assets measured at amortised cost settled by investment properties | 7,869 | — |
| Others | 286 | 854 |
| | <u>6,073</u> | <u>1,511</u> |

7. INCOME TAX CREDIT

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|-------------------------------------|------------------------|------------------------|
| Current income tax (expense)/credit | (421) | 267 |
| Deferred income tax | 523 | 1,116 |
| | <u>102</u> | <u>1,383</u> |

- (a) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“the BVI”), the Group is not subject to any income taxes in these jurisdictions.
- (b) The Group did not make any provisions for Hong Kong profits tax as there were no assessable profits arising in Hong Kong during the year ended 31 December 2025 (2024: nil). As at 31 December 2025, the Group did not recognise deferred tax assets in respect of accumulated tax losses arising from the Group’s entities in Hong Kong amounting to RMB61,717,000 (2024: RMB56,597,000).
- (c) For the year end 31 December 2025, the statutory income tax rate of entities within the Group registered in the PRC is 25% (2024: 25%), except for certain entities entitled to tax exemption or preferential rates at 5% (2024: 5%) for small and low-profit enterprises in the PRC.

8. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

Basic earnings per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year:

| | 2025 | 2024 |
|---|------------------|------------------|
| Profit/(loss) attributable to owners of the Company (RMB'000) | 12,909 | (24,418) |
| Weighted average number of ordinary shares in issue (thousands) | <u>1,484,604</u> | <u>1,484,604</u> |
| Basic earnings/(loss) per share (RMB) | <u>0.0087</u> | <u>(0.0164)</u> |

(b) Diluted earnings/(loss) per share

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares. For the years ended 31 December 2025 and 2024, diluted earnings/(loss) per share is the same as basic earnings/(loss) per share because the exercise price of the Company's share options was higher than the average market price per share.

9. CONTRACT ASSETS

| | 2025 RMB'000 | 2024 RMB'000 |
|--|-----------------|-----------------|
| Unbilled revenue of public infrastructure construction contracts | <u>121,471</u> | <u>171,215</u> |

During the year ended 31 December 2025, approximately of RMB90,330,000 (2024: RMB41,580,000) was transferred from contract assets to trade receivables.

10. OTHER FINANCIAL ASSETS MEASURED AT AMORTISED COST

| | 2025 RMB'000 | 2024 RMB'000 |
|------------------------|-----------------|-----------------|
| Loans to third parties | 11,562 | 24,030 |
| Less: loss allowance | <u>(11,562)</u> | <u>(24,030)</u> |
| | <u>—</u> | <u>—</u> |

Interests from loans to related parties and third parties charged at commercial rates are included in finance income.

For debt investments at amortised cost showing a significant increase in credit risk since initial recognition, a total allowance of lifetime expected credit losses amounting to approximately RMB11,562,000 was recognised as at 31 December 2025 (2024: RMB24,030,000).

Movement in the loss allowance of other financial assets measured at amortised cost is as follows:

| | Loans to third parties <i>RMB'000</i> |
|--|---|
| As at 1 January 2024 | 49,385 |
| Written-off | (16,734) |
| Decrease in loss allowance | <u>(8,621)</u> |
| As at 31 December 2024 and 1 January 2025 | 24,030 |
| Decrease in loss allowance | (3,500) |
| Derecognition for portion settled by investment properties | <u>(8,968)</u> |
| As at 31 December 2025 | <u><u>11,562</u></u> |

Note: The Group's loans to third parties mainly include various loans provided to target companies in accordance with the payment arrangement of potential acquisition transactions. The Group recovered part of the loans during the year ended 31 December 2025, a total allowance for expected credit losses amounting to approximately RMB11,562,000 was recognised as at 31 December 2025 (2024: RMB24,030,000).

During the year ended 31 December 2025, RMB8,968,000 was recovered by transfer of investment properties and RMB3,500,000 was recovered by cash settlement (2024: RMB8,621,000 was recovered by cash settlement).

The fair value of the investment properties situated in the PRC at the transfer date of 2 December 2025 was RMB7,869,000. As of the initial date of transfer, an impairment loss of approximately RMB 1,099,000 was recognized for the investment properties.

The security of loans to third parties is as follows:

| Principal amount as at 31 December 2025 <i>RMB'000</i> | Pledged assets | Guarantees |
|--|--|--|
| 2,000 | Borrower's assets | By the borrower's controlling shareholder and an independent third party |
| 9,562 | Borrower's assets and equity interest in a third-party company | By one of the shareholders of the borrower and independent third parties |

As at 31 December 2025 and 2024, the Group's other financial assets measured at amortised cost were all denominated in RMB.

Since the other financial assets measured at amortised cost were short-term in nature and the interest rates were close to the market rates, the carrying amounts of other financial assets measured at amortised cost were not materially different from their fair values as at 31 December 2025 and 2024.

11. TRADE AND OTHER RECEIVABLES

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|-----------------------------------|------------------------|------------------------|
| Trade receivables (a) | 286,104 | 306,131 |
| Tariff adjustment receivables (b) | <u>159,685</u> | <u>166,765</u> |
| | 445,789 | 472,896 |
| Less: loss allowance | <u>(246,110)</u> | <u>(252,466)</u> |
| Total trade receivables | <u>199,679</u> | <u>220,430</u> |
| Prepayments | 390 | 460 |
| Deposits and other receivables | 85,996 | 72,714 |
| Less: loss allowance | <u>(557)</u> | <u>(557)</u> |
| Total trade and other receivables | 285,508 | 293,047 |
| Non-current portion | <u>(23,570)</u> | <u>(23,570)</u> |
| Current portion | <u><u>261,938</u></u> | <u><u>269,477</u></u> |

As at 31 December 2025, the collection rights of trade receivables derived from certain solar power plants with carrying amount of RMB134,926,000 (2024: RMB144,274,000) were pledged as security for the Group's borrowings.

Ageing analysis of trade receivables on gross basis, based on the invoice date is as follows:

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|--------------------|------------------------|------------------------|
| Within 1 year | 43,644 | 58,592 |
| 1 year to 2 years | 45,345 | 38,367 |
| 2 years to 3 years | 45,224 | 56,003 |
| Over 3 years | <u>311,576</u> | <u>319,934</u> |
| | <u><u>445,789</u></u> | <u><u>472,896</u></u> |

- (a) Trade receivables from sales of household solar power generation systems are due within 180 days from the date of billing. Trade receivables from rendering smart energy services are due within one year from the date of billing. Trade receivables from sales of electricity are due within one month from the date of billing. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and ageing. The allowance for trade receivables as at 31 December 2025 and 2024 was determined as follows:

As at 31 December 2025

| Sales of household solar power generation systems | Not yet past due | Past due within 6 months | Past due between 6 months to 18 months | Past due between 18 months to 30 months | Past due between 30 months to 42 months | Past due over 42 months | Total |
|---|------------------|--------------------------|--|---|---|-------------------------|------------------|
| <i>Individually assessed:</i> | | | | | | | |
| Gross carrying amount (RMB'000) | — | — | — | — | — | 178,179 | 178,179 |
| Loss allowance (RMB'000) | — | — | — | — | — | (175,348) | (175,348) |
| <i>Collectively assessed:</i> | | | | | | | |
| Expected loss rate | 0.00% | 0.00% | 4.43% | 8.78% | 12.72% | 16.21% | |
| Gross carrying amount (RMB'000) | 3,241 | 8,181 | 9,948 | 12,131 | 1,863 | 2,891 | 38,255 |
| Loss allowance (RMB'000) | — | — | (441) | (1,065) | (237) | (469) | (2,212) |
| Total loss allowance (RMB'000) | | | | | | | <u>(177,560)</u> |

As at 31 December 2024

| Sales of household solar power generation systems | Not yet past due | Past due within 6 months | Past due between 6 months to 18 months | Past due between 18 months to 30 months | Past due over 30 months | Total |
|---|------------------|--------------------------|--|---|-------------------------|------------------|
| <i>Individually assessed:</i> | | | | | | |
| Gross carrying amount (RMB'000) | 1 | — | — | — | 186,303 | 186,304 |
| Loss allowance (RMB'000) | — | — | — | — | (178,390) | (178,390) |
| <i>Collectively assessed:</i> | | | | | | |
| Expected loss rate | 0.00% | 0.00% | 4.28% | 8.42% | 12.20% | |
| Gross carrying amount (RMB'000) | — | 16,748 | 5,119 | 10,958 | 7,421 | 40,246 |
| Loss allowance (RMB'000) | — | — | (219) | (923) | (906) | (2,048) |
| Total loss allowance (RMB'000) | | | | | | <u>(180,438)</u> |

As at 31 December 2025

| Rendering smart energy services | Not yet past due | Past due within 1 year | Past due between 1 year and 2 years | Past due between 2 years and 3 years | Past due over 3 years | Total |
|---------------------------------|------------------|------------------------|-------------------------------------|--------------------------------------|-----------------------|-----------------|
| <i>Individually assessed:</i> | | | | | | |
| Gross carrying amount (RMB'000) | — | — | — | — | 36,614 | 36,614 |
| Loss allowance (RMB'000) | — | — | — | — | (36,614) | (36,614) |
| <i>Collectively assessed:</i> | | | | | | |
| Expected loss rate | 0.00% | 4.43% | 8.78% | 12.72% | 16.21% | |
| Gross carrying amount (RMB'000) | 1,343 | 2,310 | 126 | 114 | — | 3,893 |
| Loss allowance (RMB'000) | — | (102) | (11) | (14) | — | (127) |
| Total loss allowance (RMB'000) | | | | | | <u>(36,741)</u> |

As at 31 December 2024

| Rendering smart energy services | Not yet past due | Past due within 1 year | Past due between 1 year and 2 years | Past due between 2 years and 3 years | Past due over 3 years | Total |
|---------------------------------|------------------|------------------------|-------------------------------------|--------------------------------------|-----------------------|-----------------|
| <i>Individually assessed:</i> | | | | | | |
| Gross carrying amount (RMB'000) | 12 | — | — | 3,900 | 32,701 | 36,613 |
| Loss allowance (RMB'000) | — | — | — | (3,900) | (32,701) | (36,601) |
| <i>Collectively assessed:</i> | | | | | | |
| Expected loss rate | 0.00% | 4.28% | 8.42% | 12.20% | 15.53% | |
| Gross carrying amount (RMB'000) | 10,781 | 131 | 114 | — | — | 11,026 |
| Loss allowance (RMB'000) | — | (6) | (10) | — | — | (16) |
| Total loss allowance (RMB'000) | | | | | | <u>(36,617)</u> |

As at 31 December 2025

| Sales of electricity (non-government entities) | Not yet past due | Past due within 11 months | Past due between 11 months and 23 months | Past due between 23 months and 35 months | Past due between 35 months and 47 months | Past due over 47 months | Total |
|--|---------------------|---------------------------------|--|--|--|-------------------------------|-----------------|
| <i>Individually assessed:</i> | | | | | | | |
| Gross carrying amount (RMB'000) | — | — | — | — | — | 9,587 | 9,587 |
| Loss allowance (RMB'000) | — | — | — | — | — | (9,587) | (9,587) |
| <i>Collectively assessed:</i> | | | | | | | |
| Expected loss rate | 0.00% | 0.00% | 4.43% | 8.78% | 12.72% | 16.21% | |
| Gross carrying amount (RMB'000) | 5,925 | 3,344 | 5,919 | 5,811 | 1,608 | 683 | 23,290 |
| Loss allowance (RMB'000) | — | — | (262) | (510) | (205) | (111) | (1,088) |
| Total loss allowance (RMB'000) | | | | | | | <u>(10,675)</u> |

As at 31 December 2024

| Sales of electricity (non-government entities) | Not yet past due | Past due within 11 months | Past due between 11 months and 23 months | Past due between 23 months and 35 months | Past due between 35 months and 47 months | Past due over 47 months | Total |
|--|---------------------|---------------------------------|--|--|--|-------------------------------|-----------------|
| <i>Individually assessed:</i> | | | | | | | |
| Gross carrying amount (RMB'000) | — | — | — | 649 | 857 | 11,778 | 13,284 |
| Loss allowance (RMB'000) | — | — | — | (649) | (857) | (11,778) | (13,284) |
| <i>Collectively assessed:</i> | | | | | | | |
| Expected loss rate | 0.00% | 0.00% | 4.28% | 8.42% | 12.20% | 15.53% | |
| Gross carrying amount (RMB'000) | 2,444 | 6,004 | 5,211 | 4,207 | 204 | 588 | 18,658 |
| Loss allowance (RMB'000) | — | — | (223) | (354) | (25) | (91) | (693) |
| Total loss allowance (RMB'000) | | | | | | | <u>(13,977)</u> |

As at 31 December 2025

| Sales of electricity (tariff adjustment receivables) | Not yet past due | Past due within 11 months | Past due between 11 months and 23 months | Past due between 23 months and 35 months | Past due between 35 months and 47 months | Past due over 47 months | Total |
|--|---------------------|---------------------------------|--|--|--|-------------------------------|-----------------|
| <i>Individually assessed:</i> | | | | | | | |
| Gross carrying amount (RMB'000) | — | — | 479 | (4,855) | 4,928 | 10,440 | 20,702 |
| Loss allowance (RMB'000) | — | — | (479) | (4,855) | (4,928) | (10,440) | (20,702) |
| <i>Collectively assessed:</i> | | | | | | | |
| Expected loss rate | 0% | 0% | 0.10% | 0.25% | 0.41% | 0.59% | |
| Gross carrying amount (RMB'000) | 10,051 | 11,558 | 26,690 | 22,301 | 18,512 | 46,157 | 135,269 |
| Loss allowance (RMB'000) | — | — | (27) | (56) | (76) | (273) | (432) |
| Total loss allowance (RMB'000) | | | | | | | <u>(21,134)</u> |

As at 31 December 2024

| Sales of electricity (tariff adjustment receivables) | Not yet past due | Past due within 11 months | Past due between 11 months and 23 months | Past due between 23 months and 35 months | Past due between 35 months and 47 months | Past due over 47 months | Total |
|--|---------------------|---------------------------------|--|--|--|-------------------------------|-----------------|
| <i>Individually assessed:</i> | | | | | | | |
| Gross carrying amount (RMB'000) | — | — | 1,324 | 4,361 | 4,353 | 10,664 | 20,702 |
| Loss allowance (RMB'000) | — | — | (1,324) | (4,361) | (4,353) | (10,664) | (20,702) |
| <i>Collectively assessed:</i> | | | | | | | |
| Expected loss rate | 0% | 0% | 0.17% | 0.39% | 0.67% | 1.01% | |
| Gross carrying amount (RMB'000) | 14,877 | 7,725 | 26,582 | 31,815 | 27,579 | 37,485 | 146,063 |
| Loss allowance (RMB'000) | — | — | (44) | (125) | (185) | (378) | (732) |
| Total loss allowance (RMB'000) | | | | | | | <u>(21,434)</u> |

- (b) As at 31 December 2025, RMB113,660,000 (2024: RMB123,461,000) of tariff adjustment receivables, derived from the subsidies in respect of sales of electricity were past due for more than 11 months and above. Applying the expected credit risk model result in recognition of loss allowance amounted to RMB432,000 as at 31

December 2025 (2024: RMB732,000). In addition, loss allowance resulting from the individual assessment of tariff adjustment receivables amounting to approximately RMB20,702,000 was recognised during the year ended 31 December 2025 (2024: RMB20,702,000).

(c) Movement in the loss allowance for trade and other receivables is as follows:

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|---------------------------------------|-------------------------------|------------------------|
| Opening balance | 253,023 | 225,749 |
| (Decrease)/increase in loss allowance | | |
| — Trade receivables | (833) | 27,274 |
| Written-off as uncollectible | | |
| — Trade receivables | (5,523) | — |
| Closing balance | <u>246,667</u> | <u>253,023</u> |

(d) The Group's trade and other receivables were denominated in the following currencies:

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|------|-------------------------------|------------------------|
| HK\$ | 401 | 316 |
| RMB | <u>285,107</u> | <u>292,731</u> |
| | <u>285,508</u> | <u>293,047</u> |

As at 31 December 2025 and 2024, the carrying amounts of trade and other receivables approximated their fair values.

12. TRADE AND OTHER PAYABLES

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|-----------------------------|------------------------|------------------------|
| Trade payables | 12,995 | 16,086 |
| Accruals and other payables | <u>30,075</u> | <u>41,984</u> |
| | <u>43,070</u> | <u>58,070</u> |

Ageing analysis of trade payables based on invoice date is as follows:

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|---------------|------------------------|------------------------|
| Within 1 year | 5,466 | 241 |
| Over 1 year | <u>7,529</u> | <u>15,845</u> |
| | <u>12,995</u> | <u>16,086</u> |

As at 31 December 2025 and 2024, the Group's trade and other payables were all denominated in RMB and the carrying amounts approximated their fair values.

13. DIVIDENDS

During the years ended 31 December 2025 and 2024, the Company did not declare any dividends to the shareholders of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Group is principally engaged in smart energy business with focus on the possession and operation of solar power plants and public infrastructure construction business in relation to the Baoding Donghu PPP project, with gradual expansion and diversification to other clean energy businesses.

During the Reporting Period, the Group recorded a revenue of RMB140,000,000 (same period of 2024: RMB114,231,000), increased by approximately 22.56% compared with the same period of last year, which was mainly attributable to the increase in investment in the Baoding Donghu Project. Profit attributable to owners of the Company was RMB12,909,000 (same period of 2024: loss attributable to owners of the Company of RMB24,418,000). The turning from loss to profit was mainly attributable to (among others): during the Reporting Period, the Group recovered totally approximately RMB13,301,000 of the assets for which impairment provisions had been made in previous years. Among them, approximately RMB8,968,000 was recovered through the transfer of investment properties, RMB3,500,000 was recovered through cash settlement, and approximately RMB833,000 was reversed from the impairment losses on accounts receivable in previous years. While in the same period of last year, the Group made an impairment provision of totally approximately RMB51,975,000 in respect of a power plant asset and its trade receivables.

BUSINESS REVIEW

Smart Energy Business

The Group's smart energy business, positioned as comprehensive energy services for the user side, mainly serves to meet the demands from customers in industrial, commercial and residential sectors as well as public institutions. The Group provides its customers with a full range of smart energy comprehensive utilisation services based on various energy sources including electricity, heat and gas by leveraging on its smart energy cloud platform, to help customers improve their energy utilisation efficiency and reduce energy consumption cost, whereby building a diversified, clean and low-carbon energy supply system.

The Group works to realise the above business objectives by integrating its energy systems with internet technology. On one hand, the Group acquires premium energy assets and projects by expanding its offline business in comprehensive energy supply such as electricity, heat and gas, and generates stable operation and investment returns from operating and managing such assets. On the other hand, the Group uploads the real-time data of electricity, heat and gas consumption of its industrial and commercial enterprises and residential users to the cloud platform, integrates and analyses such big data, and taps into the energy consumption potential of customers, so as to provide them with other industrial chain services, including multi-energy complementation of electricity, heat and gas, smart operation and maintenance, energy trade, and energy efficiency analysis.

During the Reporting Period, the Group's smart energy business mainly represented the possession and operation of solar power plants, including the possession and operation of 11 existing ground and commercial distributed solar power plants with an installed capacity of approximately 64 megawatts (MW), and the possession and operation of 18 MW household solar power plants. During the Reporting Period, the total power generation capacity of the above solar power plants was approximately 90,357 MWh (same period of 2024: 100,858 MWh), and the total power generation revenue was approximately RMB54,040,000 (same period of 2024: RMB61,899,000), the decrease in the power generation and the corresponding reduction in revenue were primarily attributable to the impact of the domestic power rationing policy on some of the Group's solar power plants. In addition, the Group also provides operation and maintenance services for some household solar power plants, and charges operation and maintenance service fees; holds and operates a heating project in Shandong Province, and charges heating service fees.

During the Reporting Period, the smart energy business contributed approximately RMB80,295,000 (same period of 2024: RMB85,506,000) to the Group's revenue, representing a decrease of approximately 6.09% as compared to the same period of last year, which was primarily attributable to the decrease in revenue from solar power generation business. Profit for the Reporting Period amounted to approximately RMB12,688,000 (same period of 2024: loss of approximately RMB37,704,000). The turning from loss to profit was primarily attributable to: during the Reporting Period, the Group recovered totally approximately RMB13,301,000 of the assets for which impairment provisions had been made in previous years. While in the same period of last year, the Group made an impairment provision of totally approximately RMB51,975,000 in respect of a power plant asset and its trade receivables.

Public Infrastructure Construction Business

The public infrastructure construction business refers to the construction and related preliminary investment and post-construction, operation and management of public infrastructure under the Baoding Donghu Project in Baoding City of Hebei Province. During the Reporting Period, the public infrastructure construction business contributed approximately RMB59,705,000 (same period of 2024: RMB28,725,000) to the Group's revenue. Profit for the Reporting Period amounted to approximately RMB3,073,000 (same period of 2024: loss of approximately RMB279,000). The increase in revenue was primarily attributable to the increased investment in the project during the Reporting Period. The turning from loss to profit was mainly due to the increase in revenue.

BUSINESS OUTLOOK

In 2026, the Photovoltaic industry of China will enter a new stage of quality improvement, efficiency enhancement and steady development. According to the forecast by the China Photovoltaic Industry Association (CPIA), China's newly installed PV capacity is expected to reach approximately 180–240 GW in 2026, representing a significant decline from the 317 GW recorded in 2025. Meanwhile, the market-oriented reform of the power sector will continue to deepen, and green electricity trading, spot markets and ancillary services will become important sources of revenue. The industry will focus more on power generation efficiency, operation and maintenance quality, and cash flow security. Blind

expansion has faded, while refined operation and risk control have become core competitiveness. Overall, the long-term growth logic of the industry remains unchanged, while the short-term focus will be on structural optimization and profit recovery.

The Company will continue to adhere to the overall principle of seeking progress while maintaining stability and deeply optimizing existing assets in 2026. Focusing on safety, stability and efficiency improvement, the Company will not pursue blind expansion, and will continuously enhance the operational quality of existing power plants and the competitiveness of operation and maintenance services. The Company will strictly control investment and operational risks, continuously optimize its financial structure, maintain sound cash flow and risk resistance capacity, and lay a solid foundation for the long-term sustainable development of the Group.

FINANCIAL REVIEW

Revenue and Gross Profit

The Group's revenue and gross profit for the Reporting Period amounted to RMB140,000,000 (same period of 2024: RMB114,231,000) and RMB26,300,000 (same period of 2024: RMB30,652,000), respectively. The gross profit margin was 18.79% (same period of 2024: 26.83%).

The revenue was increased 22.56% as compared with the same period of last year, which was primarily attributable to the increase in the investment of Baoding Donghu Project. The gross profit margin has decreased by 8.04 percentage points as compared with the same period of last year, which was primarily attributable to the lower revenue caused by power rationing at solar power plants which has higher gross profit margin.

Selling and Distribution Expenses

The Group incurred RMBNil selling and distribution expenses during the Reporting Period (same period of 2024: RMB176,000), mainly because the Group did not conduct the sales of household solar power generation systems business during the Reporting Period.

Administrative Expenses

The Group incurred administrative expenses of RMB14,927,000 during the Reporting Period (same period of 2024: RMB16,877,000), representing a decrease of 11.55% as compared to the same period of last year, which was primarily attributable to the optimization of the management structure and strict control of various administrative expenses during the Reporting Period.

Impairment Losses on Non-Financial Assets

During the Reporting Period, the Group made an impairment losses of approximately RMB8,981,000 (the same period of 2024: impairment losses of approximately RMB33,322,000) on non-financial assets, which was primarily attributable to the impairment provision made on goodwill relating to thermal assets during the Reporting Period.

Reversal of Impairment Losses/(Impairment Losses) on Financial Assets

During the Reporting Period, the Group made a reversal of impairment losses on financial assets of RMB4,333,000 (same period of 2024: impairment losses of RMB18,653,000), which was primarily attributable to the recovery of part of the financial assets for which impairment provisions had been made in previous years by the Group during the Reporting Period.

Other Gains and Losses — Net

During the Reporting Period, the Group's net other gains amounted to RMB6,073,000 (same period in 2024: RMB1,511,000), representing a significant increase compared with the last year, which was primarily attributable to the Group recovered with gross amount of approximately RMB7,869,000 of other financial assets measured at amortised cost for which impairment provisions had been made in prior years, through the assignment of investment properties during the Reporting Period.

Finance Expenses — Net

Net finance expenses amounted to RMB2,522,000 for the Reporting Period (same period of 2024: RMB5,553,000), representing a decrease of 54.58% as compared to last year. Such decrease was primarily attributable to the gradual reduction of the principal of the loans for solar power plants year by year and the decline in the loan interest rate.

Income Tax Credit

Income tax credit amounted to RMB102,000 for the Reporting Period (same period of 2024: RMB1,383,000), representing a decrease in the credit of 96.26% as compared to last year, which was primarily attributable to the corporate income tax has decreased compared with previous years due to the corporate income tax refund of some companies, and part of the deferred income tax liabilities have been reversed due to the impairment of fixed assets during the Reporting Period.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash position

As at 31 December 2025, bank balances and cash amounted to approximately RMB285,679,000 (31 December 2024: RMB221,468,000), of which approximately RMB164,764,000 (as at 31 December 2024: 177,934,000) was time deposits with original maturity over three months, approximately RMB32,585,000 (31 December 2024: RMB1,885,000) was restricted bank balances (mainly used for the expenses incurred under the Baoding Donghu Project). Such increase in bank balances and cash was primarily attributable to the operating surplus, the recovery of historical arrears and the disposal of some non-performing project assets.

Total current assets and current ratio

As at 31 December 2025, total current assets and current ratio (total current assets/total current liabilities) were approximately RMB671,562,000 (31 December 2024: RMB665,114,000) and 6.70 (31 December 2024: 5.47), respectively. The increase in total current assets was primarily attributable to the increase in bank balances and cash, and the increase in current ratio was the result of increase in current assets and decrease in current liabilities.

External borrowings and pledge of assets

As at 31 December 2025, the Group had external borrowings of RMB105,300,000 (31 December 2024: RMB133,600,000), all of which was secured by certain machinery at solar power plants with a carrying amount of RMB191,389,000 and the collection rights of future receivables of certain subsidiaries (31 December 2024: RMB133,600,000 was secured by certain machinery at solar power plants with a carrying amount of RMB209,228,000 and the collection rights of future receivables of certain subsidiaries).

Gearing Ratio

The table below sets forth the calculation of gearing ratio of the Group as at the dates indicated:

| | 31 December 2025 | 31 December 2024 |
|--|-----------------------------|---------------------|
| | <i>RMB'000</i> | <i>RMB'000</i> |
| Bank loans | 105,300 | 133,600 |
| Lease liabilities | 12,443 | 12,799 |
| Less: Cash and cash equivalents | (88,330) | (41,649) |
| Time deposits with original maturity over three months | (164,764) | (177,934) |
| Restricted cash | (32,585) | (1,885) |
| Net (cash) | (167,936) | (75,069) |
| Total equity | 821,701 | 807,993 |
| Total capital (Net (cash) plus total equity) | 653,765 | 732,924 |
| Gearing ratio (Net debt/total capital) | N/A | N/A |

As at 31 December 2025, the Group's net debt was negative, which was primarily attributable to the cash assets greater than the debts.

The proportion of long-term and short-term debts was 52.83% and 47.17%, respectively (as at 31 December 2024: 53.33% and 46.67%), of which the borrowings of RMB105,300,000 in respect of solar power plants were gradually repaid by the proceeds from electricity sales. Therefore, the Group was not exposed to any significant insolvency risk.

Interest Rate Risk

The Group's interest rate risk arises primarily from external borrowings. During the Reporting Period, the external borrowings, which mainly represent bank borrowings for solar power plants, bear interests at rates ranging from 4.34% to 4.58% per annum (same period of 2024: 4.94% to 5.18% per annum). The interest rates applicable to borrowings of solar power plants were charged at the lending rate of the People's Bank of China for the same period plus 10% to 15%, with risk derived from the changes in China's policy on interest rate, but the Group expects the impact of the interest rate risk on the Group's consolidated profit or loss to be insignificant.

Exchange Rate Risk

As the Group's principal activities are carried out in the PRC, the Group's transactions are mainly denominated in Renminbi, which is not freely convertible into foreign currencies. All foreign exchange transactions involving Renminbi must take place through the People's Bank of China or other institutions authorised to buy and sell foreign exchanges. The exchange rates adopted for foreign exchange transactions are the rates of exchange quoted by the People's Bank of China that are determined largely by supply and demand.

The Group currently does not have a policy on foreign currency risk as it had minimal transactions denominated in foreign currencies during the Reporting Period, and the impact of foreign currency risk on the Group's operation is minimal. The Group does not use any financial instruments for hedging purposes but will continue to monitor exchange rate movements to preserve the cash value of the Group in the most effective manner.

Investment Commitments

As at 31 December 2025, the Group had no investment commitments (31 December 2024: Nil).

Contingent Liabilities

As at 31 December 2025, the Group did not have any material contingent liabilities (31 December 2024: Nil).

MATERIAL ACQUISITION, INVESTMENT AND DISPOSAL

Material Acquisition and Investment

The Group had no material acquisition and investment during the Reporting Period.

Material Disposal

The Group had no material disposal during the Reporting Period.

Future Plans in Respect of Material Investments or Capital Assets

As at 31 December 2025, the Group had no specific future plans for material investments and capital assets.

EMPLOYEES AND REMUNERATION POLICIES

The Group had 39 employees as at 31 December 2025 (31 December 2024: 43 employees). Total staff costs, including Directors' emoluments was RMB12,159,000 for the year ended 31 December 2025 (same period of 2024: RMB12,802,000). Employees are remunerated according to the nature of their positions, individual qualification, performance, work experience and market trends, and subject to periodic reviews based on their performance. Apart from basic remuneration and discretionary bonus, the Group also provides mandatory provident fund scheme to employees in Hong Kong and statutory social welfare contribution to employees in the PRC, adhering to the local laws and regulations.

The Group conducts a series of targeted training and development programs through various approaches to enhance employees' skills and knowledge, enabling them to adapt to the developments of the industry.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

Except as disclosed in the announcement, the Group did not have any significant post-period events after 31 December 2025 and up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company (“**Shareholders**”) and to enhance corporate value and accountability. The Company had complied with all the applicable code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) during the Reporting Period, except for the following deviation:

According to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Wei Qiang, an executive Director, is the chief executive officer of the Company and the chairman of the Board. The Board is of

the opinion that vesting the roles of both the chairman and the chief executive officer in the same person could improve the Company's effectiveness and efficiency in reaching its business goals. The Board also believes that this arrangement will not be detrimental to the balance of power and authority between the chairman and the chief executive officer, while a higher ratio of independent non-executive Directors will enable the Board to make unbiased judgments more effectively and provide sufficient supervision to protect the interests of the Company and the Shareholders.

According to code provision C.5.1 of the CG Code, the board meeting should be held at least four times a year at approximately quarterly interval. During the Reporting Period, two Board meetings were held to approve the interim financial performance and annual financial performance of the Group which should be decided by the Board, and discussed the overall operation and strategy of the Group etc.. The Company also sought the approval of the Directors on relevant matters by circulating a written resolution to replace the Board meeting. In addition, the Directors had frequent communication with the management of the Company during the year to discuss the overall operation and strategy of the Group, and actively exchanged their views on the performance of the Group. As such, the Directors are considered to be provided in a timely manner with appropriate information to make informed decisions and perform their duties and responsibilities.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 of the Listing Rules as its own code of conduct regarding Directors' securities transactions.

After making specific enquiries, all of the Directors who held their office during the Reporting Period have confirmed that they had complied with the Model Code.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). During the Period and as at 31 December 2025, the Company did not hold any treasury shares either.

FINAL DIVIDENDS

The Board does not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: nil).

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”), comprising the three independent non-executive Directors, has reviewed the Group's consolidated financial statements for the year ended 31 December 2025 together with the management of the Company.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The financial figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, BDO Limited (the "BDO"), Certified Public Accountants, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO in this respect did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by BDO on the preliminary announcement.

PUBLICATION OF THE AUDITED CONSOLIDATED ANNUAL RESULTS AND 2025 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.xindaholdings.com), and the 2025 annual report containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
Xinda Investment Holdings Limited
Wei Qiang
Chairman

Hebei, 27 March 2026

As at the date of this announcement, the executive Directors are Mr. Wei Qiang and Ms. Zou Yanhong; and the independent non-executive Directors are Dr. Han Qinchun, Mr. Wong, Yik Chung John and Mr. Feng Zhidong.