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新特能源

XINTE ENERGY CO., LTD.

新特能源股份有限公司

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

(Stock code: 1799)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

- For the year ended 31 December 2025, the Group's operating revenue amounted to RMB15,254.50 million, representing a decrease of 28.09% over the corresponding period of last year.
- For the year ended 31 December 2025, the Group's total loss amounted to RMB1,089.25 million, as compared to the total loss of RMB4,079.37 million for the corresponding period of last year.
- For the year ended 31 December 2025, the Group's net loss attributable to shareholders of the listed company amounted to RMB1,205.48 million, as compared to the net loss attributable to shareholders of the listed company of RMB3,904.88 million for the corresponding period of last year.
- For the year ended 31 December 2025, the basic loss per share amounted to RMB0.84, as compared to the basic loss per share of RMB2.73 for the corresponding period of last year.
- The Board did not recommend the declaration of a final dividend for the year ended 31 December 2025.

The board of directors (the “**Board**”) of Xinte Energy Co., Ltd. (the “**Company**”) hereby announces the audited consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**”), together with comparative figures for the corresponding period in 2024. The results were prepared in accordance with the Accounting Standards for Business Enterprises of the People's Republic of China (“**China**” or “**PRC**”) (the “**CASBE**”) and the disclosure requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

(Unless otherwise specified, the following information disclosures are based on the audited consolidated financial statements prepared in accordance with the CASBE. All amounts are denominated in Renminbi (“RMB”).)

CONSOLIDATED BALANCE SHEET

Items	<i>Notes</i>	31 December 2025	31 December 2024
Current assets:			
Monetary capital		9,246,573,935.07	11,663,084,839.76
Clearing settlement funds		—	—
Loans to other banks		—	—
Financial assets held for trading		84,947,050.09	78,940,678.80
Derivative financial assets		—	—
Notes receivable	4	139,748,306.09	1,000,881,742.08
Accounts receivable	5	6,149,484,539.22	5,058,443,314.06
Receivables financing	6	1,103,918,158.70	1,151,997,262.66
Prepayments		854,058,795.14	506,194,611.41
Premiums receivable		—	—
Reinsurance accounts receivable		—	—
Reinsurance contract reserve receivable		—	—
Other receivables		360,666,906.32	427,546,014.72
Including: Interests receivable		—	—
Dividends receivable		91,079,838.60	106,296,344.58
Financial assets held under resale agreements		—	—
Inventories		5,250,516,753.26	4,725,097,705.71
Including: Data resource		—	—
Contract assets		1,311,035,284.25	2,369,842,664.10
Assets held for sale		—	—
Non-current assets due within one year		218,596,250.02	—
Other current assets		1,586,966,090.81	1,650,806,253.10
Total current assets		26,306,512,068.97	28,632,835,086.40

CONSOLIDATED BALANCE SHEET (Continued)

Items	Notes	31 December 2025	31 December 2024
Non-current assets:			
Loans and advances		—	—
Debt investments		—	—
Other debt investments		—	—
Long-term receivables		—	—
Long-term equity investments		2,886,299,369.84	873,273,826.17
Other equity instrument investments		131,796,295.80	121,824,188.20
Other non-current financial assets		—	—
Investment properties		—	—
Fixed assets		41,160,077,627.25	41,000,088,297.20
Construction in progress		5,601,866,040.33	5,124,457,555.11
Productive biological assets		—	—
Oil and gas assets		—	—
Right-of-use assets		321,908,751.89	309,812,191.72
Intangible assets		1,487,430,818.45	1,452,357,894.94
Including: Data resources		—	—
Development expenses		—	—
Including: Data resources		—	—
Goodwill		—	—
Long-term deferred expenses		—	32,900,747.35
Deferred income tax assets		1,325,967,094.22	1,343,338,959.91
Other non-current assets		2,899,242,302.47	2,789,697,449.76
Total non-current assets		<u>55,814,588,300.25</u>	<u>53,047,751,110.36</u>
Total assets		<u><u>82,121,100,369.22</u></u>	<u><u>81,680,586,196.76</u></u>

CONSOLIDATED BALANCE SHEET (Continued)

Items	Notes	31 December 2025	31 December 2024
Current liabilities:			
Short-term borrowings	7	1,131,337,437.66	610,425,093.20
Borrowing from central bank		—	—
Loans from other banks		—	—
Financial liabilities held for trading		7,488,887.79	47,711,848.71
Derivative financial liabilities		—	—
Notes payable	8	4,898,259,810.05	7,569,903,513.31
Accounts payable	9	10,132,958,077.56	10,870,449,359.21
Advances received		—	—
Contract liabilities		2,216,997,538.73	2,164,684,531.16
Proceeds from sale of repurchase financial assets		—	—
Deposits from clients and placements from other banks		—	—
Deposit for agency security transaction		—	—
Deposit for agency security underwriting		—	—
Staff remuneration payables		677,499,606.04	792,851,622.02
Taxes payable		195,465,393.90	429,038,910.22
Other payables		774,570,080.30	440,617,877.53
Including: Interests payable		—	—
Dividends payable		—	—
Handling fees and commission payable		—	—
Reinsurance accounts payable		—	—
Liabilities held for sale		—	—
Non-current liabilities due within one year		2,502,800,906.55	2,507,216,231.35
Other current liabilities		346,486,810.95	258,592,958.76
Total current liabilities		22,883,864,549.53	25,691,491,945.47

CONSOLIDATED BALANCE SHEET (Continued)

Items	Notes	31 December 2025	31 December 2024
Non-current liabilities:			
Provision for insurance contracts		—	—
Long-term borrowings	7	20,393,841,627.95	19,072,968,954.91
Bonds payable		—	—
Including: Preference shares		—	—
Perpetual bonds		—	—
Lease liabilities		380,256,522.31	255,392,622.22
Long-term payables		—	—
Long-term staff remuneration payables		—	—
Accrued liabilities		513,058,247.37	260,686,999.54
Deferred income		558,611,348.00	561,491,229.27
Deferred income tax liabilities		301,746,578.43	460,969,368.31
Other non-current liabilities		43,533,218.47	83,859,832.43
Total non-current liabilities		<u>22,191,047,542.53</u>	<u>20,695,369,006.68</u>
Total liabilities		<u>45,074,912,092.06</u>	<u>46,386,860,952.15</u>

CONSOLIDATED BALANCE SHEET (Continued)

Items	Notes	31 December 2025	31 December 2024
Shareholders' equity:			
Share capital		1,430,000,000.00	1,430,000,000.00
Other equity instruments		—	—
Including: Preference shares		—	—
Perpetual bonds		—	—
Capital reserve		9,655,318,392.52	9,833,949,220.16
Less: Treasury shares		—	—
Other comprehensive income		-104,590,544.24	-135,337,283.02
Special reserve		58,703,365.02	41,180,844.93
Surplus reserve		981,955,892.67	981,955,892.67
General risk reserve			
Undistributed profit		<u>19,436,115,451.59</u>	<u>20,641,591,615.72</u>
Total equity attributable to the shareholders of the parent company		<u>31,457,502,557.56</u>	<u>32,793,340,290.46</u>
Non-controlling interest		<u>5,588,685,719.60</u>	<u>2,500,384,954.15</u>
Total shareholders' equity		<u>37,046,188,277.16</u>	<u>35,293,725,244.61</u>
Total liabilities and shareholders' equity		<u>82,121,100,369.22</u>	<u>81,680,586,196.76</u>

CONSOLIDATED INCOME STATEMENT

Items	Notes	2025	2024
I. Total operating revenue		15,254,497,141.74	21,212,979,955.79
Including: Operating revenue	10	15,254,497,141.74	21,212,979,955.79
Interest income		—	—
Premium earned		—	—
Handling fees and commission income		—	—
II. Total operating cost		16,621,117,839.12	22,863,665,407.91
Including: Operating cost	10	13,833,388,726.50	19,851,623,116.66
Interest expenses		—	—
Handling fees and commission expenses		—	—
Surrender value		—	—
Net payment of insurance claims		—	—
Net provision of insurance liability reserve		—	—
Premium bonus expenses		—	—
Reinsurance expenses		—	—
Taxes and surcharges		225,850,047.36	179,475,029.43
Selling expenses		698,818,614.51	685,609,442.66
Administrative expenses		881,682,206.73	1,178,300,770.72
R&D expenses		369,015,776.93	367,025,868.06
Financial expenses		612,362,467.09	601,631,180.38
Including: Interest expenses		669,337,288.36	711,250,981.25
Interest income		105,939,941.47	145,390,956.03
Add: Other revenue		124,711,898.21	157,606,266.89
Investment income (loss is represented by “-”)		1,083,645,054.33	767,342,960.72
Including: Investment income from associates and joint ventures		527,591,268.09	65,237,228.68
Gains from derecognition of financial assets measured at amortized cost		-44,949,180.50	-26,738,131.51
Gains from foreign exchange (loss is represented by “-”)		—	—
Gains from net exposure to hedging (loss is represented by “-”)		—	—
Gain on changes in fair value (loss is represented by “-”)		—	-45,751,031.20

CONSOLIDATED INCOME STATEMENT *(Continued)*

Items	Notes	2025	2024
Impairment loss of credit (loss is represented by “-”)		-73,488,952.21	5,878,262.06
Impairment loss of assets (loss is represented by “-”)		-810,397,720.54	-3,415,979,490.95
Gains from disposal of assets (loss is represented by “-”)		<u>28,663,956.55</u>	<u>11,122,289.20</u>
III. Operating profit (loss is represented by “-”)		-1,013,486,461.04	-4,170,466,195.40
Add: Non-operating revenue	11	<u>34,103,229.99</u>	100,714,637.33
Less: Non-operating expenses	11	<u>109,866,180.78</u>	<u>9,620,540.53</u>
IV. Total profit (total loss is represented by “-”)		-1,089,249,411.83	-4,079,372,098.60
Less: Income tax expense	12	<u>244,880,666.60</u>	<u>-35,634,936.71</u>
V. Net profit (net loss is represented by “-”)		<u>-1,334,130,078.43</u>	<u>-4,043,737,161.89</u>
(I) Classified by continuity of operations			
1. Net profit from continuing operations (net loss is represented by “-”)		-1,334,130,078.43	-4,043,737,161.89
2. Net profit from discontinued operation (net loss is represented by “-”)		<u>—</u>	<u>—</u>
(II) Classified by ownership			
1. Net profit attributable to owners of the parent company (net loss is represented by “-”)		-1,205,476,164.13	-3,904,879,436.49
2. Profit or loss attributable to noncontrolling interests (net loss is represented by “-”)		<u>-128,653,914.30</u>	<u>-138,857,725.40</u>

CONSOLIDATED INCOME STATEMENT *(Continued)*

Items	Notes	2025	2024
VI. Net other comprehensive income after tax		32,246,202.67	-131,366,087.42
Net other comprehensive income after tax attributable to owners of the parent company		30,746,738.78	-131,291,847.02
(I) Other comprehensive income not reclassified to profit or loss		8,972,107.60	-129,175,789.32
1. Changes arising on remeasurement of defined benefit plans		—	—
2. Other comprehensive income accounted for using the equity method that cannot be reclassified to profit or loss		—	—
3. Changes in fair value of investments in other equity instruments		8,972,107.60	-129,175,789.32
4. Changes in fair value of own credit risk of the Company		—	—
5. Others		—	—
(II) Other comprehensive income to be reclassified to profit or loss		21,774,631.18	-2,116,057.70
1. Other comprehensive income accounted for using the equity method that may be reclassified to profit or loss		—	—
2. Changes in fair value of other debt investments		—	—
3. Amount of financial assets reclassified into other comprehensive income		—	—
4. Provisions for credit impairment of other debt investments		—	—
5. Reserve for cash flow hedging (effective portion of profit or loss on cash flow hedging)		27,839,037.34	—
6. Exchange differences on translation of financial statements in foreign currency”		-6,064,406.16	-2,116,057.70
7. Others		—	—
Net other comprehensive income after tax attributable to non-controlling interest		1,499,463.89	-74,240.40

CONSOLIDATED INCOME STATEMENT *(Continued)*

Items	Notes	2025	2024
VII. Total comprehensive income		<u>-1,301,883,875.76</u>	<u>-4,175,103,249.31</u>
Total comprehensive income attributable to shareholders of the parent company		-1,174,729,425.35	-4,036,171,283.51
Total comprehensive income attributable to non-controlling interests		<u>-127,154,450.41</u>	<u>-138,931,965.80</u>
VIII. Earnings per share:	<i>13</i>		
(I) Basic earnings per share (RMB/share)		<u>-0.8430</u>	<u>-2.7307</u>
(II) Diluted earnings per share (RMB/share)		<u>-0.8430</u>	<u>-2.7307</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Xinte Energy Co., Ltd. (新特能源股份有限公司) was established in the PRC on 20 February 2008 as a limited liability company. On 16 October 2012, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The address of the Company's registered office is No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang Uygur Autonomous Region, the PRC.

The Company's parent company and ultimate holding company is TBEA Co., Ltd. (特變電工股份有限公司) (“**TBEA**”), a joint stock company with limited liability incorporated in the PRC.

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

On 30 December 2015, the H shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

These consolidated financial statements are presented in RMB unless otherwise stated and were approved for issue by the Board on 27 March 2026.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

2.2 Going concern

The Group has evaluated its ability to continue as a going concern for the 12 months from the end of the Reporting Period, and has not identified matters and circumstances that raise significant doubt on its going concern ability. The financial statements are presented on a going concern basis.

2.3 Changes in significant accounting policies and accounting estimates

(1) *Changes in significant accounting policies: Nil.*

(2) *Changes in significant accounting estimates: Nil.*

3 SEGMENT INFORMATION

The chief operating decision makers (“CODMs”) have been identified as the general manager, deputy general manager and directors of the Company who are responsible for reviewing the Group’s internal reports in order to assess performance and allocate resources. The management has determined the operating segments on the basis of these reports. As the Group’s operations are primarily located in the PRC, the CODMs consider the business from a product and service perspective. Management separately considers the polysilicon, the construction and operation of wind power and PV power plants and electrical equipment as reportable operating segments. Other segments mainly comprise of sales of materials, by-products and other miscellaneous services.

The CODMs assess the performance of the operating segments based on revenue and gross profit margin. The transactions of inter-segment elimination are carried out based on terms and conditions mutually agreed between the relevant parties. The measurement of segment revenue and results reported to the CODMs are in a manner consistent with that in the consolidated income statement. The amounts provided to the CODMs with respect to total assets are measured in a manner consistent with that of the consolidated balance sheet. These assets are allocated based on the operations of the segment.

2025

Items	Polysilicon	Construction of wind power and PV power plants	Operation of wind power and PV power plants	Electrical equipment	Others	Inter-segment elimination	Total
I. Segment revenue and results							
1. Operating revenue	2,949,104,668.44	9,992,381,954.53	2,683,802,671.48	3,954,714,412.61	654,744,179.68	-4,980,250,745.00	15,254,497,141.74
Including: Revenue from external transactions	2,924,557,601.01	5,914,940,791.69	2,682,821,452.79	3,330,206,137.51	401,971,158.74	—	15,254,497,141.74
Revenue from intersegment transactions	<u>24,547,067.43</u>	<u>4,077,441,162.84</u>	<u>981,218.69</u>	<u>624,508,275.10</u>	<u>252,773,020.94</u>	<u>-4,980,250,745.00</u>	<u>—</u>
2. Gross profit for the segment	<u>-1,400,318,594.68</u>	<u>1,177,954,893.93</u>	<u>1,383,201,854.65</u>	<u>139,588,857.64</u>	<u>120,681,403.70</u>	<u>—</u>	<u>1,421,108,415.24</u>
3. Investment revenue of associates and joint ventures	493,585,938.37	42,174,286.26	—	—	—	-8,168,956.54	527,591,268.09
4. Impairment loss of credit	22,487,868.97	-48,337,302.41	-36,421,835.27	20,947,164.27	-6,129,053.48	-26,035,794.29	-73,488,952.21
5. Impairment loss of assets	-427,061,543.60	-172,512,986.05	-25,678,571.23	-8,899,973.18	-176,197,781.81	-46,864.67	-810,397,720.54
6. Depreciation and amortization expenses	1,708,588,882.51	47,600,754.65	1,057,839,973.58	117,472,941.96	37,606,536.23	-84,214,008.49	2,884,895,080.44
7. Total profit	<u>-2,103,164,638.93</u>	<u>2,163,767,395.30</u>	<u>896,655,469.93</u>	<u>-569,955,783.37</u>	<u>-155,305,003.55</u>	<u>-1,321,246,851.21</u>	<u>-1,089,249,411.83</u>
II. Total assets	<u>45,230,635,638.87</u>	<u>27,379,527,506.98</u>	<u>32,324,084,125.15</u>	<u>7,138,427,662.73</u>	<u>1,750,678,278.10</u>	<u>-31,702,252,842.61</u>	<u>82,121,100,369.22</u>
1. Long-term equity investments (investments in associates and joint ventures)	2,497,642,265.18	802,036,879.83	—	—	—	-413,379,775.17	2,886,299,369.84
2. Increase in non-current assets (other than long-term equity investments)	<u>-1,565,844,347.87</u>	<u>-147,351,613.37</u>	<u>2,354,628,501.35</u>	<u>208,863,271.43</u>	<u>-219,122,294.88</u>	<u>130,037,887.65</u>	<u>761,211,404.31</u>
III. Total liabilities	<u>14,916,710,470.63</u>	<u>10,466,506,280.00</u>	<u>22,458,120,221.44</u>	<u>6,191,636,663.73</u>	<u>851,767,013.33</u>	<u>-9,809,828,557.07</u>	<u>45,074,912,092.06</u>

2024

Items	Polysilicon	Construction of wind power and PV power plants	Operation of wind power and PV power plants	Electrical equipment	Others	Inter-segment elimination	Total
I. Segment revenue and results							
1. Operating revenue	7,761,922,797.44	14,777,891,906.11	2,350,307,029.60	4,396,027,218.71	853,330,407.62	-8,926,499,403.69	21,212,979,955.79
Including: Revenue from external transactions	7,750,014,012.64	7,457,204,252.63	2,349,702,746.44	3,052,968,924.63	603,090,019.45	—	21,212,979,955.79
Revenue from intersegment transactions	11,908,784.80	7,320,687,653.48	604,283.16	1,343,058,294.08	250,240,388.17	-8,926,499,403.69	—
2. Gross profit for the segment	-2,383,162,165.91	1,712,358,676.70	1,238,753,107.08	645,255,797.23	148,151,424.03	—	1,361,356,839.13
3. Investment revenue of associates and joint ventures	16,648,196.40	48,503,644.56	—	—	—	85,387.72	65,237,228.68
4. Impairment loss of credit	-48,887,281.81	63,204,313.33	-37,126,887.04	-17,747,125.91	-4,480,508.86	50,915,752.35	5,878,262.06
5. Impairment loss of assets	-2,513,057,519.19	-152,198,640.43	-675,178,172.62	-72,299,442.02	-3,364,841.58	119,124.89	-3,415,979,490.95
6. Depreciation and amortization expenses	1,936,883,616.85	51,377,487.70	951,151,611.83	69,975,468.71	39,742,748.99	-61,388,389.32	2,987,742,544.76
7. Total profit	<u>-4,924,174,262.76</u>	<u>2,608,058,063.76</u>	<u>106,609,346.46</u>	<u>4,210,189.76</u>	<u>57,553,924.35</u>	<u>-1,931,629,360.17</u>	<u>-4,079,372,098.60</u>
II. Total assets							
1. Long-term equity investments (investments in associates and joint ventures)	506,648,196.40	506,540,242.05	—	—	—	-139,914,612.28	873,273,826.17
2. Increase in non-current assets (other than long-term equity investments)	<u>-2,711,736,992.07</u>	<u>-171,393,249.46</u>	<u>731,655,912.77</u>	<u>733,352,649.98</u>	<u>-84,724,473.35</u>	<u>-754,456,809.81</u>	<u>-2,257,302,961.94</u>
III. Total liabilities							
	<u>15,789,265,339.43</u>	<u>13,205,117,183.82</u>	<u>21,914,538,434.88</u>	<u>5,448,290,711.24</u>	<u>1,695,420,489.89</u>	<u>-11,665,771,207.11</u>	<u>46,386,860,952.15</u>

Revenue from external customers in the PRC and other countries is as follows:

Items	Amounts in the current year	Amounts in previous year
Domestic (excluding Hong Kong)	12,128,043,611.67	18,706,657,565.04
Overseas	2,773,635,536.39	2,036,650,222.54

4 NOTES RECEIVABLE

(1) Notes receivable by category

Items	Closing balance	Opening balance
Bank acceptance notes	139,159,565.47	388,504,071.71
Trade acceptance notes	588,740.62	612,377,670.37
	<hr/>	<hr/>
Total	<u>139,748,306.09</u>	<u>1,000,881,742.08</u>

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

Items	Pledged amount at the end of the year
Bank acceptance notes	23,194,469.70
Trade acceptance notes	—
	<hr/>
Total	<u>23,194,469.70</u>

(3) Notes receivable endorsed or discounted at the end of the year but not yet mature at the balance sheet date

Items	Amount derecognized at the end of the year	Amount not derecognized at the end of the year
Bank acceptance notes	—	86,830,437.13
Trade acceptance notes	—	—
	<hr/>	<hr/>
Total	<u>—</u>	<u>86,830,437.13</u>

(4) Method of provision for bad debts by category

Category	Closing balance				Carrying amount
	Book balance		Provision for bad debts		
		Percentage		Provision	
	Amount	(%)	Amount	percentage (%)	
Bad debt provision made on individual basis	—	—	—	—	—
Bad debt provision made on a collective basis	141,159,905.14	100.00	1,411,599.05	1.00	139,748,306.09
Including: Bank acceptance notes	140,565,217.64	99.58	1,405,652.17	1.00	139,159,565.47
Trade acceptance notes	594,687.50	0.42	5,946.88	1.00	588,740.62
Total	<u>141,159,905.14</u>	<u>100.00</u>	<u>1,411,599.05</u>	<u>—</u>	<u>139,748,306.09</u>

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

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

Category	Opening balance	Changes of the current year			Others	Closing balance
		Accrued	Recovered or reversed	Carry-forward or written off		
Bank acceptance notes	3,924,283.55	-2,518,631.38	—	—	—	1,405,652.17
Trade acceptance notes	6,185,633.03	-6,179,686.15	—	—	—	5,946.88
Total	<u>10,109,916.58</u>	<u>-8,698,317.53</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,411,599.05</u>

(6) Notes receivable written off in the current year

Nil.

(7) Aging of the notes receivable at the end of the year

The aging of all the above notes receivable at the end of the year of the Group was within 365 days.

5 ACCOUNTS RECEIVABLE

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

Category	Closing balance				Carrying amount
	Book balance	Provision for bad debts		Provision	
	Amount	Percentage (%)	Amount		
Bad debt provision made on individual basis	94,448,537.36	1.38	94,448,537.36	100.00	—
Bad debt provision made on a collective basis	6,728,590,275.41	98.62	579,105,736.19	8.61	6,149,484,539.22
Including: Portfolio of aging	3,332,656,511.29	48.84	363,072,776.86	10.89	2,969,583,734.43
Portfolio of electricity and subsidies	3,395,933,764.12	49.78	216,032,959.33	6.36	3,179,900,804.79
Total	<u>6,823,038,812.77</u>	<u>100.00</u>	<u>673,554,273.55</u>	<u>—</u>	<u>6,149,484,539.22</u>

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

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

Name	Book balance	Closing balance	
		Bad debt provision	Provision percentage (%)
Reduction or cancellation of electricity price subsidies for some projects	78,142,451.14	78,142,451.14	100.00
Nanjing Ronghao Construction Engineering Co., Ltd.* (南京榮浩建設工程有限公司)	16,306,086.22	16,306,086.22	100.00
Total	<u>94,448,537.36</u>	<u>94,448,537.36</u>	<u>100.00</u>

2) *Bad debt provision made on accounts receivable by portfolio of aging*

Aging	Book balance	Closing balance	
		Bad debt provision	Provision percentage (%)
Within 1 year (inclusive)	2,432,898,568.72	48,657,971.38	2.00
1 year to 2 years (inclusive)	255,907,406.61	12,795,370.34	5.00
2 years to 3 years (inclusive)	169,416,338.30	33,883,267.65	20.00
3 years to 4 years (inclusive)	141,180,138.69	42,354,041.60	30.00
4 years to 5 years (inclusive)	215,743,866.17	107,871,933.09	50.00
Over 5 years	117,510,192.80	117,510,192.80	100.00
Total	<u>3,332,656,511.29</u>	<u>363,072,776.86</u>	<u>—</u>

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

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

Item	Accounts receivable	Closing balance	
		Bad debt provision	Provision percentage (%)
Portfolio of electricity and subsidies	<u>3,395,933,764.12</u>	<u>216,032,959.33</u>	<u>6.36</u>

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

(2) **Accounts receivable by aging**

Aging	Closing balance	Opening balance
Within 1 year (inclusive)	3,334,850,637.46	2,369,836,102.92
1 year to 2 years (inclusive)	902,624,112.58	884,512,706.36
2 years to 3 years (inclusive)	666,635,129.86	902,927,862.55
3 years to 4 years (inclusive)	615,240,604.78	770,794,973.24
4 years to 5 years (inclusive)	660,078,020.86	327,112,752.16
Over 5 years	<u>643,610,307.23</u>	<u>374,883,392.26</u>
Total	<u>6,823,038,812.77</u>	<u>5,630,067,789.49</u>

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

(3) Bad debt provision for accounts receivable

Category	Opening balance	Accrued	Changes of the current year		Others	Closing balance
			Recovered or reversed	Carry-forward or written off		
Bad debt provision made on accounts receivable	<u>571,624,475.43</u>	<u>89,675,180.85</u>	<u>—</u>	<u>4,605,496.65</u>	<u>16,860,113.92</u>	<u>673,554,273.55</u>
Total	<u>571,624,475.43</u>	<u>89,675,180.85</u>	<u>—</u>	<u>4,605,496.65</u>	<u>16,860,113.92</u>	<u>673,554,273.55</u>

Note: During the Reporting Period, the amount of bad debt provision for other changes was mainly duo to changes in the scope of consolidation of the Company.

6 RECEIVABLES FINANCING

Items	Closing balance	Opening balance
Notes receivable	<u>1,103,918,158.70</u>	<u>1,151,997,262.66</u>
Total	<u>1,103,918,158.70</u>	<u>1,151,997,262.66</u>

7 BANK AND OTHER BORROWINGS STRUCTURE AND MATURITY PROFILE

(1) Borrowings structure

Borrowing category	Closing balance	Opening balance
Credit borrowing	10,434,527,608.00	5,034,654,329.26
Secured borrowing	3,370,978,817.33	4,004,344,777.83
Guaranteed borrowing	—	366,000,000.00
Pledged borrowing	3,540,526,449.41	3,989,021,301.96
Secured and pledged borrowing	6,273,027,907.78	8,207,734,821.90
Factoring borrowing	—	1,250,000.00
Notes discounted borrowing	<u>378,706,656.27</u>	<u>579,154,009.87</u>
Total	<u>23,997,767,438.79</u>	<u>22,182,159,240.82</u>

(2) Maturity profile of the borrowings

Maturity date	Closing balance	Opening balance
Within 1 year (inclusive)	3,603,925,810.84	3,109,190,285.91
1 to 2 years (inclusive)	3,079,385,286.14	3,387,549,367.71
2 to 5 years (inclusive)	7,882,234,325.62	7,813,835,581.02
After 5 years	9,432,222,016.19	7,871,584,006.18
Total	<u>23,997,767,438.79</u>	<u>22,182,159,240.82</u>

8 NOTES PAYABLE

Category	Closing balance	Opening balance
Bank acceptance notes	4,673,835,965.80	7,495,802,932.28
Trade acceptance notes	224,423,844.25	74,100,581.03
Total	<u>4,898,259,810.05</u>	<u>7,569,903,513.31</u>

Note: The aging of all the above notes payable at the end of the year of the Group were within 365 days.

9 ACCOUNTS PAYABLE

Item	Closing balance	Opening balance
Total accounts payable	10,132,958,077.56	10,870,449,359.21
Of which: Over 1 year	4,911,764,083.53	4,737,315,365.37

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

10 OPERATING REVENUE AND OPERATING COST

Items	Amounts incurred during the current year	
	Revenue	Cost
Main businesses	14,901,679,148.06	13,598,746,245.74
Others businesses	352,817,993.68	234,642,480.76
Total	<u>15,254,497,141.74</u>	<u>13,833,388,726.50</u>

Items	Amounts incurred in previous year	
	Revenue	Cost
Main businesses	20,743,307,787.58	19,501,437,125.18
Others businesses	469,672,168.21	350,185,991.48
Total	<u>21,212,979,955.79</u>	<u>19,851,623,116.66</u>

11 NON-OPERATING REVENUE AND NON-OPERATING EXPENSES

(1) Non-operating revenue

Items	Amount recognized in current year	Amount recognized in previous year	Amount
			included in non- recurring profit or loss of current year
Gains from compensations and penalties	23,475,970.60	98,992,755.29	23,475,970.60
Donation gains	—	319,960.40	—
Others	10,627,259.39	1,401,921.64	10,627,259.39
Total	<u>34,103,229.99</u>	<u>100,714,637.33</u>	<u>34,103,229.99</u>

(2) Non-operating expenses

Items	Amount incurred in current year	Amounts incurred in previous year	Amount included in non-recurring profit or loss of current year
Payment of charitable donations	—	283,018.86	—
Non-recurring losses	—	—	—
Losses on damage or retirement of non-current assets	4,846,036.79	4,004,121.03	4,846,036.79
Payment of compensations and penalties	85,607,286.52	2,485,402.15	85,607,286.52
Carbon allowances	16,586,128.55	—	16,586,128.55
Others	2,826,728.92	2,847,998.49	2,826,728.92
Total	<u>109,866,180.78</u>	<u>9,620,540.53</u>	<u>109,866,180.78</u>

12 INCOME TAX EXPENSES

Items	Amounts incurred during the current year	Amounts incurred in previous year
Current income tax expenses	390,004,885.64	527,896,005.23
Deferred income tax expenses	-145,124,219.04	-563,530,941.94
Total	<u>244,880,666.60</u>	<u>-35,634,936.71</u>

13 RETURN ON NET ASSETS AND EARNINGS PER SHARE

Profit during the Reporting Period	Return on net assets on weighted average basis (%)	Earnings per share (RMB/share)	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to the ordinary shareholders of the parent company	-3.7448	-0.8430	-0.8430
Net profit attributable to ordinary shareholders of the parent company after deduction of non-recurring profit or loss	-3.3214	-0.7492	-0.7492

14 DIVIDEND

The Board did not recommend the declaration of a final dividend for the year ended 31 December 2025.

On 18 June 2025, the Company considered and approved that no final dividend for the year ended 31 December 2024 would be declared at the annual general meeting of 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

I. REVIEW OF INDUSTRY DEVELOPMENT STATUS

2025 marks the concluding year of China’s “14th Five-Year Plan” for energy. Against the backdrop of accelerating global energy transition and energy consumption “progressing steadily towards green”, China’s energy reform continued to deepen. During the year, newly installed renewable energy capacity reached approximately 446 million kW, with the share of renewable energy generation capacity rising from 40% at the beginning of the “14th Five-Year Plan” period to around 60% by 2025, marking a landmark achievement in green transition. Despite the overall positive trend in the long-term development of renewable energy, the competitive landscape across the industry chain remains intense due to the current slowdown in global new energy growth and structural imbalances in supply and demand within the PV industry. Under the guidance of the national “anti-involution” policies, polysilicon prices remained under pressure and fluctuated. However, high social inventory and supply-demand imbalances still posed significant development pressures on the industry, which navigated under pressure towards a transition from scale expansion to high-quality and high-value development.

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

- In January 2025, the National Development and Reform Commission of the PRC (the “NDRC”) and the National Energy Administration of the PRC (the “NEA”) jointly issued the Notice on Deepening the Market-oriented Reform of New Energy Feed-in Tariff to Promote High-quality Development of New Energy* (《關於深化新能源上網電價市場化改革促進新能源高質量發展的通知》) (“**Document No. 136**”). The document proposes deepening the market-oriented reform of new energy feed-in tariff to give play to the decisive role of the market in resource allocation and promote the quality development of new energy, based on the overall principles of market-oriented price establishment, fair responsibility sharing, differentiation between existing and incremental power, and coordinated policies. This will promote the full entry of on-grid electricity generated from new energy sources, such as wind power and solar power, into the electricity market, with prices established through market transactions. Simultaneously, a price difference settlement mechanism will be established outside the market to support the sustainable development of new energy, so as to differentiate between existing and incremental projects to implement policies by category, maintain policy consistency for existing projects, and stabilize the expected returns of incremental projects. The document also proposes strengthening the coordination between reform and environmental

optimization and prohibiting the use of energy storage as a precondition for the approval, grid connection, and on-grid of newly built new energy projects.

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

a carbon labeling certification system; facilitate the construction of new energy bases in the “desert, gobi and barren land”, develop offshore wind power, and coordinate the construction of local consumption and external transmission channels.

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

- In July 2025, the NDRC and the NEA jointly issued the Notice on Renewable Energy Electricity Consumption Responsibility Weights and Related Matters for 2025* (《關於2025年可再生能源電力消納責任權重及有關事項的通知》). The Notice clarifies the responsibility weights for renewable energy electricity consumption for 2025 and 2026, as well as the proportion of green electricity consumption in key energy-consuming industries. It specifically adds the steel, cement, and polysilicon industries, as well as green electricity consumption proportion for newly constructed data centers at national hub nodes based on the electrolytic aluminum industry.
- In September 2025, the National Standardization Administration issued the Notice on the Formulation and Revision Plans for 14 Mandatory National Standards including the “Energy Consumption Limits for Polysilicon and Germanium Unit Products” and Related Foreign Language Version Plans* (《關於下達<硅多晶和鍺單位產品能源消耗限額>等14項強制性國家標準制修訂計劃和相關標準外文版計劃的通知》). The Notice requires the organisation of drafting, solicitation of opinions, and technical review for the 14 standards, including the Energy Consumption Limits for Polysilicon and Germanium Unit Products* (《硅多晶和鍺單位產品能源消耗限額》). The revision plan for the Energy Consumption Limits for Polysilicon and Germanium Unit Products points out that the existing mandatory content indicators for comprehensive electricity consumption in polysilicon projects have been restricted and do not cover the energy consumption limits for polysilicon production using the silane fluidised bed method, which cannot guide the transformation and upgrading of the polysilicon industry. Therefore, it is urgent to revise the current standard. This standard revision is a key measure in the transformation of China’s polysilicon industry from “scale leadership” (規模領先) to “quality leadership” (質量引領). By establishing scientific, advanced, and highly operable energy consumption limit standards, it will not only directly reduce the industry’s energy consumption and carbon emissions but also promote the green upgrade of the entire industrial chain, providing support for the healthy and sustainable development of the industry.
- In October 2025, the NDRC and the NEA jointly issued the Guiding Opinions on Promoting the Consumption and Regulation of New Energy* (《關於促進新能源消納和調控的指導意見》), which proposes that by 2030, a multi-level new energy consumption and regulation system will

be basically established, and the increased electricity demand will mainly be met by increased new energy power generation. The new power system and electricity market will meet the reasonable consumption demand of over 200 million kW of new energy each year across the country. By 2035, the target for the construction of a new power system adapted to a high proportion of new energy will be basically completed. The Opinions call for comprehensively implementing the development layout planning for the new energy bases in the “desert, gobi and barren land”, promoting the dual approach of external transmission and local consumption of new energy bases in the “desert, gobi and barren land”, and facilitating the realization of large-scale local consumption of new energy bases in the “desert, gobi and barren land” through integrated development of new energy, gradient transfer of industries in the eastern region, and tapping the consumption potential in the western region. Furthermore, it advocates for the healthy and sustainable development of new business models for local new energy consumption, such as integrated generation-grid-load-storage systems, direct green power connections, smart microgrids, and new energy integration into incremental distribution networks. These models support the direct connection of new energy sources and enhance the level of power supply guarantee. Additionally, it also encourages exploring the coordinated regulation and control model for clusters of new energy bases in the “desert, gobi and barren land”, water, wind and solar power bases and offshore wind power bases, and accelerating the integrated output curve dispatch of new energy with on-site supporting energy storage.

2. Review of Development Status of the Polysilicon Industry

According to the statistics of the Silicon Industry Branch of China Nonferrous Metals Industry Association* (中國有色金屬工業協會硅業分會), the polysilicon production capacity in the PRC reached 1,319,000 tons in 2025, representing a year-on-year decrease of 28.4%. Affected by the imbalance between supply and demand in the PV industry chain and the impact of “anti-involution” measures, the price of polysilicon in the PRC experienced a downward trend under pressure in the first half of the year, gradually rebounding in the second half, showing a U-shaped recovery trend for the entire year. The average price of N-type refeeding materials decreased from RMB41,500/ton (tax included) at the beginning of January 2025 to RMB34,400/ton (tax included) at the end of June, before rising to RMB53,900/ton (tax included) at the end of December 2025.

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

According to the statistics from the NEA, the newly installed power generation capacity in China was approximately 542.72GW in 2025, representing a year-on-year increase of 26.52%. As of the end of 2025, China's cumulative installed power generation capacity was approximately 3,891.34GW, representing a year-on-year increase of 16.21%, of which the cumulative installed power generation capacity of wind power and solar power reached 1,841.74GW, exceeding the cumulative installed capacity of thermal power.

The newly installed PV power generation capacity in China was approximately 315.07GW in 2025, representing a year-on-year increase of approximately 13.67%. As of the end of 2025, China's cumulative installed PV power generation capacity was approximately 1,201.73GW. The newly installed wind power capacity in China was approximately 119.33GW in 2025, representing a year-on-year increase of approximately 50.40%. As of the end of 2025, the accumulative installed wind power capacity in China reached approximately 640.01GW.

II. PRINCIPAL BUSINESS OPERATIONS OF THE GROUP

In 2025, facing profound changes in the global new energy industry landscape, the Group reduced costs and improved efficiency through technological innovation and lean management, enhancing cost management and control effectiveness. By focusing on “optimizing structure”, it steadily advanced the development, construction, and operational scale of new energy resources, strengthening the R&D and innovative capacity of new energy core equipment manufacturing industry, thereby achieving breakthroughs in both domestic and international markets, and solidifying the Company's operational foundation during the industry's transitional period. During the Reporting Period, affected by the market price of polysilicon products, the Group achieved revenue from operations of RMB15,254.50 million, net loss of RMB1,334.13 million and the net loss attributable to shareholders of the listed company of RMB1,205.48 million, with the loss from operations narrowing as compared to the corresponding period of last year.

1. Polysilicon Production

In response to the severe challenges that PV industry was in deep adjustment, the Group carried out self-discipline production control during the Reporting Period, coupled with economic calculations and overhaul and technological transformation plans. The Group conducted daily maintenance on production facilities, carried out overhaul projects and hazard elimination to implement full-cycle management of equipment and ensure that production facilities

were capable of long-term stable and safe operation. The Group achieved digital intelligence empowerment and refined parameter management through full-process informatized closed-loop management of polysilicon product quality, continually enhancing the quality of its products. Through the optimization of process, implementation of technical improvements, and all-factor fine-tuning, the Group adjusted procurement strategies to reduce material purchasing costs, optimized processes, and improved equipment performance to promote energy conservation and consumption reduction, continuously solidifying the foundation of cost management and control, thereby enhancing quality while reducing costs and improving operational efficiency.

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

In 2025, the Group optimized the layout of new energy projects, prioritizing the construction and operation of projects in regions with favorable consumption conditions. The Group actively participated in the construction of large-scale wind power and PV power bases and promoted the integrated development of new energy with energy storage, data centers, and other industries, engaging in integrated energy services. The Group established a full-process cost control system focusing on the full lifecycle of new energy projects from “proposal — design — procurement — construction — completion”. It improved cost reduction paths at each stage by establishing standard cost controls, promoting the application of new materials, optimizing supplier sourcing and bidding management, and building closed-loop control mechanisms. Additionally, the Group comprehensively deepened engineering project quality management across five core dimensions: quality system construction, plan implementation, process control, supervisory performance, and completion acceptance, reinforcing the Company’s development lifeline with high standards and strict requirements.

During the Reporting Period, the Group focused on precise operations and maintenance to establish a mechanism for stabilizing both quantity and price, comprehensively enhancing the profitability quality of power station operations. The Group deepened lean operations through centralized monitoring and unmanned management, developing information systems such as a smart operation management platform for wind power plants and remote auxiliary monitoring for power stations. This enhanced the quality and efficiency of equipment monitoring and continuously improved per capita efficiency, achieving an increase of approximately 22% in per capita operation and maintenance capacity as compared to the corresponding period of last year. By relying on fault warning systems and preventive maintenance, the Group strengthened its equipment foundation, carrying out reliability governance for major wind turbine components, transmission lines and other equipment, so as to enhance the stability of operations and maintenance. Leveraging multi-cycle and multi-variety

trading position allocations, along with cross-provincial green power trading to seize market opportunities, the Group effectively optimized electricity prices, resulting in an increase of approximately 15% in the annual on-grid electricity of self-operated power stations as compared to the corresponding period of last year. By improving the power trading evaluation system, upgrading the auxiliary decision-making platform, and deeply exploring data value, the Group comprehensively improved its power trading capabilities and enhanced the profitability of power stations.

During the Reporting Period, the completed total installed capacity of PV and wind power construction projects of the Group which had been recognized as revenue amounted to approximately 2.74GW. The 3GW new energy projects in Zhudong achieved partial capacity grid-connected power generation, steadily advancing towards the goal of “green manufacturing with green energy” (以綠製(造)綠) along the industrial chain. As of the end of 2025, the Group had operated power plants projects which have achieved grid-connected power generation of approximately 4GW.

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

In 2025, by seizing the key opportunity for high-growth development in niche fields under the wave of energy transformation, the Group continuously developed manufacturing business for key equipment such as inverters, SVG, Energy Storage and FDC Converter Valves, with the aim of becoming an excellent global power electronics manufacturer.

During the Reporting Period, the Group implemented its innovation philosophy of “research for application” (研為所用), anchoring efforts in grid control and device innovation to build product competitive advantages, resulting in the launch of multiple new products and increased market share in segmented markets. Concurrently, the Group achieved new milestones in market expansion, securing multiple bids and contracts for inverters and energy storage products in the domestic market. Its FDC Converter Valves achieved a breakthrough with successful contracts secured for both the sending end of the State Grid Tibet-Guangdong DC project and the receiving end of the China Southern Power Grid Tibet-Guangdong DC project, realising “full-link supply” of converter valve equipment for both sending and receiving ends of the ultra-high-voltage flexible DC transmission project. The total contract value reached RMB1,227 million, demonstrating the Group’s R&D strength in core equipment and supply assurance capability. International operations achieved historic breakthroughs, with inverters and energy storage products securing initial listings and first-time contracts in multiple countries and regions.

4. Technology and R&D

In terms of polysilicon production, focusing on key issues such as improvement in product quality and reduction of comprehensive system energy consumption, the Group carried out a number of technology innovation work and core technology research in core links such as cold hydrogenation, distillation and purification, reduction and products sorting. Through the deployment of intelligent control systems, flow field simulation, process optimization and digital upgrading of equipment and other means, the Group not only effectively improved production and operation efficiency and reduced energy consumption costs, but also solidified the core support for high-quality development of the enterprise, laying a solid foundation for the continuous advancement of subsequent business.

In terms of the development, construction and operation of wind power and PV resources, the Group deepened its digital transformation, improved operation and maintenance performance and management efficiency, and focused on the four directions of “reducing manpower, creating applications, building platforms, and building foundations” along the “business-led, platform-supported and data-driven” path. Through process reconstruction and system integration, the Group achieved a leap from online single point of business to collaboration between the market and delivery ends. The high-voltage and high-capacity flexible DC converter valve based on 6.5kV/4kA IGCT (Integrated Gate-Commutated Thyristor) power devices in which the Group participated in the R&D, successfully passed the technology appraisal of new products organized by the China Electricity Council and was recognized as reaching an industry-leading level. This technological breakthrough can help achieve more economical solutions for transmission projects such as offshore wind power and desert PV projects in new energy bases. Based on policy orientation and focusing on the R&D achievements of new energy technologies, the Group developed five new business models and solutions, including the expansion of new energy application scenarios, innovative operation of energy storage, zero-carbon and comprehensive energy services, hydrogen and low-carbon technologies and policy-oriented consumption and renewal of new energy, covering the entire industry chain scenario and supporting the transformation of the Group into a “power electronics manufacturer” and a “green and smart energy service provider”.

In 2025, a total of 104 patents submitted by the Group were granted. As at 31 December 2025, the Group had a total of 939 domestic patents, 2 international patents, and participated in the preparation of 213 issued standards, including 6 international standards, 65 national standards and 58 industry standards.

5. Safety Production

The Group consistently implements the “people and safety-oriented”(以人為本，安全為天) safety management policy, prioritizing safety production work, and pays close attention to the key areas such as enhancing the intrinsic safety of process equipment, reforming the informatization of safety production, standardizing operation procedures, and improving emergency response capabilities, continuously consolidating the foundation for safe development. In 2025, the Group had no major safety production and environmental protection accidents and incidents.

During the Reporting Period, the Group continuously improved the safety risk prevention and control system, increased innovation and investment in safety technology, and promoted the continuous improvement of the level of safety production management; established a regular safety production supervision and inspection mechanism, equipped with a professional safety management team, and conduct real-time supervision and control over the production site, operation processes, equipment operation to promptly identify and eliminate potential safety hazards; steadily promoted the digitalization construction of safety under the main thread of “safety with no people and safety with few people”(無人則安，少人則安), achieved intelligent early warning of major accident risks and the early warning of unplanned equipment shutdowns prevention through the implementation of projects such as intelligent monitoring of major hazard sources, equipment status monitoring and personnel positioning, deeply advanced the construction of smart safety, smart fire protection and intelligent systems for the entire lifecycle of equipment and facilities, achieving the interconnection, sharing and analysis, as well as intelligent early warning of safety production data and promoting the transformation of on-site safety management from passive handling to active prevention.

6. Talent Team Building

During the Reporting Period, the Group firmly adhered to the concept of “strengthening the enterprise with talents and creating and sharing”(人才強企，創造分享), and based on the strategic business development direction, closely focused on aspects such as “optimizing structure, precise talent cultivation and improving the remuneration incentive system”(優化結構、精准人才培養、完善薪酬激勵體系) to carry out talent team building work. The Group carried out targeted talent cultivation and recruitment initiatives in R&D, quality, cost and technology, prioritized cultivating and introducing practical talents and experts in the fields of R&D, process, equipment and quality, and strengthened the practical assessment and echelon construction of the talent team; empowered around job requirements, job learning and job improvement,

ensured stable production through strengthening training and skill enhancement, established a competency matrix for skilled talents to meet the standards and take up their posts, as well as courseware and theory and practical question banks from eight dimensions including safety, process, equipment, R&D, and emergency operation, to continuously enhance the professional capabilities of the talent team; adhered to the value concept of “creating and sharing”(創造與分享), scientifically established a remuneration mechanism oriented towards value creation and performance incentives in light of changes in both internal and external environments, enhancing organizational performance while fully safeguarding employee compensation levels, enabling the sharing of development achievements with employees.

III. OPERATING RESULTS AND ANALYSIS

Financial Review:

Revenue

The Group generates revenue mainly from the R&D, production and sales of high purity polysilicon, the development, construction and operation of wind power and PV power plants, and the R&D, manufacturing and sales of electrical equipment such as inverters, SVG, FDC Converter Valves and energy storage systems. For the year ended 31 December 2025, the revenue of the Group was RMB15,254.50 million, representing a decrease of RMB5,958.48 million, or 28.09%, from RMB21,212.98 million in the corresponding period of last year, which was mainly attributable to the Group’s reasonable arrangement of production and operating plans based on economic calculations and the control of production and sales of the polysilicon business during the Reporting Period, resulting in the significant decline in the sales volume of the polysilicon. The revenue of each business segment is as follows:

For the year ended 31 December 2025, the revenue of the polysilicon segment was RMB2,924.56 million, representing a decrease of RMB4,825.25 million, or 62.26%, from RMB7,750.01 million in the corresponding period of the previous year. The decrease was mainly attributable to the significant decline in the sales volume of the Group’s polysilicon during the Reporting Period.

For the year ended 31 December 2025, the revenue of the wind power and PV power plants construction segment was RMB5,914.94 million, representing a decrease of RMB1,542.26 million or 20.68% from RMB7,457.20 million in the corresponding period of last year, which was mainly attributable to the impact of Document No. 136, the market-oriented reform of feed-in tariffs for new energy, the decline in power generation income of projects, the reduction in the Group’s new construction projects and the decrease in the scale of the wind power and PV power plants construction business during the Reporting Period.

For the year ended 31 December 2025, the revenue of the operation of wind power and PV power plants segment was RMB2,682.82 million, representing an increase of RMB333.12 million or 14.18% from RMB2,349.70 million in the corresponding period of last year, which was mainly attributable to an increase in the scale of operation projects of the Group's wind power and PV power plants that have generated electricity during the Reporting Period, resulting in a corresponding increase in power generation.

For the year ended 31 December 2025, the revenue of the electrical equipment segment was RMB3,330.21 million, representing an increase of RMB277.24 million or 9.08% from RMB3,052.97 million in the corresponding period of last year, which was mainly attributable to the increase in the sales of the Group's electrical equipment during the Reporting Period.

Cost

For the year ended 31 December 2025, the costs incurred by the Group was RMB13,833.39 million, representing a decrease of RMB6,018.23 million or 30.32% from RMB19,851.62 million in the corresponding period of last year, which was mainly attributable to the significant decline in the sales of the Group's polysilicon during the Reporting Period. The costs incurred by each business segment is as follows:

For the year ended 31 December 2025, the cost incurred by the polysilicon segment was RMB4,324.88 million, representing a decrease of RMB5,808.30 million or 57.32% from RMB10,133.18 million in the corresponding period of last year, which was mainly attributable to the significant decline in the sales of the Group's polysilicon during the Reporting Period.

For the year ended 31 December 2025, the cost incurred by the construction of wind power and PV power plants segment was RMB4,736.99 million, representing a decrease of RMB1,007.86 million or 17.54% from RMB5,744.85 million in the corresponding period of last year, which was mainly due to the decrease in the scale of wind power and PV power plants construction projects of the Group, resulting in a corresponding decrease in cost during the Reporting Period.

For the year ended 31 December 2025, the cost incurred by the operation of wind power and PV power plants segment was RMB1,299.62 million, representing an increase of RMB188.67 million or 16.98% from RMB1,110.95 million in the corresponding period of last year, which was mainly due to the increase in the scale of wind power and PV power plants operation projects of the Group which have generated electricity, resulting in a corresponding increase in cost during the Reporting Period.

For the year ended 31 December 2025, the cost incurred by the electrical equipment segment was RMB3,190.62 million, representing an increase of RMB782.90 million or 32.52% from RMB2,407.71 million in the corresponding period of last year, which was mainly due to the increase in the sales of the Group's electrical equipment and the provision for certain quality losses during the Reporting Period, resulting in a corresponding increase in cost.

Gross profit and gross profit margin

For the year ended 31 December 2025, the gross profit of the Group was RMB1,421.11 million, representing an increase of RMB59.75 million or 4.39% from RMB1,361.36 million in the corresponding period of last year. The comprehensive gross profit margin for the year ended 31 December 2025 was 9.32%, representing an increase of 2.90 percentage points from 6.42% in the corresponding period of last year.

Selling expenses

For the year ended 31 December 2025, the selling expenses of the Group were RMB698.82 million, representing an increase of RMB13.21 million or 1.93% from RMB685.61 million in the corresponding period of last year.

Administrative expenses

For the year ended 31 December 2025, the administrative expenses of the Group were RMB881.68 million, representing a decrease of RMB296.62 million or 25.17% from RMB1,178.30 million in the corresponding period of last year, which was mainly due to the decrease in staff remuneration and other administrative expenses based on the strengthened cost control of the Group and no share-based payment expenses incurred as the employee share ownership scheme had been terminated during the Reporting Period.

R&D expenses

For the year ended 31 December 2025, the R&D expenses incurred by the Group were RMB369.02 million, representing an increase of RMB1.99 million or 0.54% from RMB367.03 million in the corresponding period of last year.

Financial expenses

For the year ended 31 December 2025, the financial expenses of the Group were RMB612.36 million, representing an increase of RMB10.73 million or 1.78% from RMB601.63 million in the corresponding period of last year.

Investment income

For the year ended 31 December 2025, the investment income of the Group was RMB1,083.65 million, representing an increase of RMB316.31 million or 41.22% from RMB767.34 million in the corresponding period of last year, which was mainly due to the gains realized from the two thermal power plants in which the Group has equity participation and the gains realized from the disposal of certain PV power and wind power plants by the Group during the Reporting Period.

Income tax expenses

For the year ended 31 December 2025, the income tax expenses of the Group were RMB244.88 million, as compared to the income tax expenses of RMB-35.63 million in the corresponding period of last year, which was mainly due to the recognition of deferred income tax assets by the Group based on deductible losses in the corresponding period of last year.

Net loss attributable to shareholders of the listed company

For the year ended 31 December 2025, the net loss attributable to shareholders of the listed company was RMB1,205.48 million, representing a loss reduction of RMB2,699.40 million as compared with that of RMB3,904.88 million in the corresponding period of last year, which was mainly due to the reduced loss from the Group's polysilicon business through reasonable arrangement of production plans, implementation of lean management and cost-reduction and efficiency-enhancement initiatives, as well as the investment income realized from the two thermal power plants in which the Group has equity participation during the Reporting Period.

Profit or loss attributable to non-controlling interests

For the year ended 31 December 2025, the net loss attributable to non-controlling interests of the Group was RMB128.65 million, representing a loss reduction of RMB10.21 million as compared with net loss attributable to non-controlling interests of RMB138.86 million in the corresponding period of last year.

Cash flows

Net cash flow generated from operating activities

For the year ended 31 December 2025, the net cash outflow generated from operating activities of the Group was RMB2,115.73 million, as compared to the net inflow of RMB1,754.58 million in the corresponding period of last year, which was mainly due to the significant decrease in the sales of the Group's polysilicon, the significant drop in sales revenue and sales payment collection being less than operating expenses during the Reporting Period.

Net cash flow generated from investing activities

For the year ended 31 December 2025, the net cash outflow from investing activities of the Group was RMB2,900.97 million, representing a decrease of RMB6,599.06 million or 69.46% from RMB9,500.03 million in the corresponding period of last year, which was mainly due to the maturity of the Group's deposit-based financial products and the receipt of investment returns during the Reporting Period.

Net cash flow generated from financing activities

For the year ended 31 December 2025, the net cash inflow generated from financing activities of the Group was RMB5,521.86 million, representing an increase of RMB4,150.37 million or 302.62% from RMB1,371.49 million in the corresponding period of last year, which was mainly due to the capital injection received by the Group's subsidiaries, proceeds from the issuance of asset-backed special plans and the increase in borrowings by the Group during the Reporting Period.

Operation fund

	As at 31 December 2025	As at 31 December 2024
Balance of cash and cash equivalents at the end of the period (<i>RMB</i>)	6,005,238,095.67	5,494,514,947.49
Gearing ratio*	40.96%	30.55%
Inventory turnover rate (<i>times</i>)	2.77	4.74
Inventory turnover days (<i>days</i>)	129.80	76.01

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

As at 31 December 2025, the balance of cash and cash equivalents at the end of the period of the Group was RMB6,005.24 million (31 December 2024: RMB5,494.51 million).

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

As at 31 December 2025, the gearing ratio of the Group was 40.96% while that as at 31 December 2024 was 30.55%.

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

The inventory turnover rate and turnover days of the Group were 2.77 times and 129.80 days respectively as at 31 December 2025, respectively, and the inventory turnover rate and turnover days of the Group were 4.74 times and 76.01 days respectively as at 31 December 2024.

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

Capital expenditure

For the year ended 31 December 2025, the major capital expenditure of the Group included: a total of RMB5,480.75 million of expenditure for the purchases of fixed assets and intangible assets as well as other long-term assets.

Pledge of assets

As at 31 December 2025, the Group's long-term borrowings with an amount of RMB13,184.53 million were secured or pledged by the Group's assets including inventories, fixed assets, construction in progress and receivables, and there were no secured borrowings for the period.

Capital liquidity

As at 31 December 2025, current assets of the Group amounted to RMB26,306.51 million, among which, RMB9,246.57 million was monetary capital; RMB6,561.55 million was inventories and contract assets; RMB7,393.15 million was accounts receivable, notes receivable and receivables financing, primarily consisting of the receivables of construction and operation of wind power and PV power plants and receivables of sales of electrical equipment; and RMB2,801.69 million was other receivables, prepayments and other current assets, primarily consisting of large certificates of deposit, deductible value-added tax and prepayments, etc. As at 31 December 2025, current liabilities of the Group amounted to RMB22,883.86 million, including RMB15,031.22 million of accounts payable and notes payable, primarily consisting of purchase of equipment, laboring and materials, etc. necessary for daily operations; RMB2,217.00 million of contract liabilities, primarily consisting of construction of wind power and PV power plants, and the prepayments for sales of polysilicon; RMB774.57 million of other payables, primarily consisting of deposits payable and deposits, temporary receipts and expenses payable, etc.; RMB195.47 million of taxes payable, primarily consisting of various taxes to be paid; and RMB1,131.34 million of short-term borrowings. As at 31 December 2025, apart from RMB569.10 million of the Group's borrowings which bore fixed interest rates, the remaining borrowings bore interest at floating rates.

As at 31 December 2025, net current assets of the Group amounted to RMB3,422.65 million, representing an increase of RMB481.31 million as compared with the net current assets of RMB2,941.34 million as at 31 December 2024. The current ratio was 114.96% as at 31 December 2025, representing an increase of 3.51 percentage points as compared with the current ratio of 111.45% as at 31 December 2024. Restricted cash amounted to RMB3,228.83 million, mainly including deposit-based financial products and bill deposits.

Credit risk

The Group manages credit risk by portfolio classification. Credit risk mainly arises from monetary capital, notes receivable, accounts receivable, receivables financing, other receivables, contract assets, long-term receivables, etc. In order to reduce credit risk, the Group has set up a dedicated department to determine credit limits, conduct credit approval, and perform other monitoring procedures to ensure necessary measures are taken to recover overdue debts. In addition, the Group reviews the recovery of each item of receivables at each balance sheet date, to ensure sufficient bad debt provisions are made on unrecoverable items. Therefore, the Group's management believes that the Group's credit risk has been significantly reduced. The Group's credit risk related to liquidity was relatively low as its liquidity was deposited in banks with high credit rating and TBEA Group Finance Co., Ltd. (特變電工集團財務有限公司).

Foreign exchange risk

The Group's foreign exchange exposure is mainly related to US dollars, Euro, Indian Rupee and Philippine Peso, etc. Except that individual subsidiaries of the Group conduct settlements in US dollars and other foreign currencies, other main business operations of the Group are denominated and settled in RMB. As at 31 December 2025, some of the Group's assets and liabilities had balances in US dollars, Euro, Indian Rupee and Philippine Peso, etc. The foreign exchange exposure of balances in such foreign currencies is minimal, and will not have a material adverse impact on the financial position of the Group. The Group adopts reasonable hedging instruments and products, adheres to the principle of exchange rate hedging, clarifies the management of target exchange rates, and appropriately conducts businesses such as spot and forward settlements to avoid the risk of exchange rate fluctuations.

Interest rate risk

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

Contingent liabilities

As at 31 December 2025, the Group did not have any material contingent liabilities.

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

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

Future plans for material investment or capital asset

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

Significant investments

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

Events after the balance sheet date

After 31 December 2025 and up to the date of this announcement, there were no significant events which would have a significant impact on the Group as a whole after the balance sheet date of the Group.

IV. PROSPECTS

Market Prospects

According to the Renewable Energy Report 2025 released by the International Energy Agency (IEA), it is estimated that the annual installed capacity of global renewable energy will continue to grow from 750GW in 2025 to nearly 890GW in 2030. From 2025 to 2030, it is expected that the global installed capacity of renewable energy will increase by approximately 4,600GW. By 2030, the installed capacity of PV and wind energy is expected to account for 96% of renewable energy installed capacity, with variable renewable energy generation reaching 30% of global electricity supply.

With the deepening global consensus on energy transition, demand for installed wind power and PV capacity is steadily increasing, while new sectors such as energy storage and hydrogen energy are accelerating rapidly, new energy will continue to play a crucial role in ensuring energy security, upgrading industrial structures, and driving green economic growth, offering vast market space and promising development opportunities.

Business Plan in 2026

Amid the overall positive long-term development trend of renewable energy, the industry chain faces persistent competitive pressures due to the current slowdown in global new energy growth coupled with structural imbalances in PV supply and demand. The “15th Five-Year Plan” represents a critical window to navigate industry cycles and achieve transformative advancement. In 2026, the Group will stay closely aligned with industry trends, proactively respond to sector transformations, focus on its core business, and diligently strengthen its capabilities. The Group will keep in mind that “quality is the lifeline, cost is the survival line, and labor efficiency is the development line,” treating quality, cost, and labor efficiency as fundamental pathways to forge core competitiveness. This approach will enable the Group to achieve steady operations and high-quality sustainable development.

1. Safety Production Plan

The Group insists on “people and safety-oriented” as its management philosophy, anchoring core objectives of “strengthening foundations, addressing weaknesses, enhancing capabilities, and ensuring outcomes” to establish a comprehensive risk early-warning and prevention system with a zero-tolerance approach to fortify safety standards. Firstly, the Group will adhere to enhancing foundational management by establishing a tiered safety management system tailored to different business sectors and levels in accordance with industry standards while strengthening specialized teams to promote the organic integration of human and technical security measures. Secondly, the Group will take safety risk management and control as its core task, strengthen risk identification at an earlier stage, and advance risk monitoring and early warning. Thirdly, the Group will focus on high-risk sectors and emerging business models, leveraging big data and other technologies to enhance intrinsic safety through digital and intelligent means, achieving precise and efficient oversight to ensure safety and compliance become the “guardian” of high-quality development. Fourthly, the Group will enhance employees’ comprehensive capabilities in areas such as process equipment operation, risk identification and hidden hazard investigation, and operational control, supported by employee skill enhancement, to ensure the effective implementation of safety management requirements. Fifthly, the Group will strengthen its emergency response mechanisms and conduct regular drills to prevent major safety incidents, resolutely eliminate systemic risks, fortify the defense line for production safety objectives, and ensure steady and sustainable development of the Group’s operations.

2. Polysilicon Production Plan

The Group will continue to focus on customers, advancing lean production centred on “enhancing quality while reducing consumption, decreasing costs while increasing efficiency” to achieve breakthroughs and steady development. Firstly, further strengthening the efficient coordination mechanism across “production, sales and quality”, the Group will establish a “value symbiosis” ecosystem, precisely translating customer quality requirements into internal production standards. Secondly, deepening meticulous management, the Group will establish a comprehensive quality and cost control system covering all stages of the production process, rigorously managing to reduce production costs while enhancing the precision and efficiency of process quality control. Thirdly, continuously advancing intelligent upgrades, the Group will deepen data governance and system integration, systematically driving a comprehensive transformation towards automated production control, standardised operational execution, lean operational management, and intelligent equipment management, thereby providing a solid foundation for stable and efficient production.

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

The Group will steadfastly pursue its core strategy of “dual-drive of power electronics manufacturer and green smart energy service provider” and “dual-circulation within domestic and international markets”. Firstly, fully leveraging the strategic positioning of the energy services sector as a ballast, the Group will focus on value creation, investment returns and asset preservation. It will advance three core initiatives of project development, cost reduction and efficiency enhancement, and operator profitability improvement to optimise new energy resource development, operational business and asset structure, thereby elevating corporate operational efficiency and profitability. Secondly, accelerating the transformation from equipment supplier to system solutions and energy service provider, the Group will focus on the entire “generation, grid, load and energy storage” chain to comprehensively enhance the competitiveness of inverters, converters, and energy storage products. It will prioritise expanding diversified business models such as direct green power connection, zero-carbon campuses, and independent energy storage power stations, strengthening integrated capabilities in design, investment operations, and energy efficiency management, and develop exemplary FDC transmission projects to achieve systematic deployment and efficient coordination, ensuring high-quality delivery of tasks at every stage. Thirdly, seizing structural market opportunities arising from the growth of the domestic and international energy storage sectors, the application of FDC Converter Valves in domestic ultra-high voltage scenarios, overseas grid upgrades, and PV expansion in emerging international markets,

the Group will intensify channel development efforts both domestically and internationally to achieve coordinated growth across both markets while expanding market growth potential and enhancing the Group's profitability.

4. Technology Innovation Plan

The Group will focus on quality improvement, cost reduction and efficiency enhancement to deepen development, tap into innovation potential, enrich technological achievements, forge core competitive advantages of the enterprise, and forge ahead in industry transformation. Firstly, in terms of polysilicon products, the Group will focus on continuously optimising its product portfolio, increasing the proportion of high-value-added products, reducing production costs, and achieving revenue growth and efficiency gains. It will focus on key technologies and process breakthroughs, further reducing energy consumption and stabilising parameters through deepening the application of intelligent production scenarios. Secondly, in terms of energy services, the Group will persistently establish multi-scenario demonstration benchmarks for new energy applications, advance the implementation of green and low-carbon power supply solutions in high-energy-consumption sectors alongside demonstration project construction, and continuously refine digital intelligent energy operation solutions to achieve a full-process closed-loop for intelligent energy monitoring, operation and maintenance, management, and trading. Thirdly, in terms of key equipment manufacturing, the Group will anchor its efforts in core scenarios such as R&D management, lean production, and quality control. It will persistently increase R&D investment, deepen collaborative innovation across production, learning, scientific research, and practical application. By enhancing solar photovoltaic, energy storage, flexible interaction, and direct current distribution solutions alongside intelligent factory upgrades, the Group will improve product quality and efficiency. The Group will establish experimental platforms encompassing diverse application scenarios to accelerate core product development and iteration, thereby advancing product quality targets and enhancing reliability.

5. Human Resources Plan

The Group will adhere to the objective of “building core competitiveness”, closely focusing on strategic development and business planning, concentrating on core business shortcomings, talent team building, organizational effectiveness optimization and professional skills cultivation to drive efficient synergy between business and talent development. Firstly, promoting organisational flattening reforms, the Group will establish process-oriented structures centred on core businesses, breaking down operational and base-level barriers to achieve centralised resource allocation and deployment. Secondly, optimising talent structure, the Group will conduct regular talent assessment. By systematically recruiting talent to drive strategic team building, the Group will strengthen talent gaps in areas such as technological R&D, production and equipment management, and marketing, thereby supporting the enterprise’s innovative development framework. Thirdly, training and professional competency assessments will be conducted based on role requirements. The Group will implement systematic measures to enhance alignment between talent capabilities and business needs, while continuously evaluating application outcomes and delivering practical training, thereby elevating employees’ job performance capabilities and achieving synchronised growth between corporate development and staff advancement.

V. RISK FACTORS AND RISK MANAGEMENT

1. Risks associated with Changes in Policies

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

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

2. *Risks associated with Technology and New Product Substitution*

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

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

3. *Risks associated with Intensified Market Competition*

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

The Group will actively respond to the market challenges, leverage on its strengths, provide customers with high-quality, low-cost and competitive products and services, and continuously optimize its business structure to further consolidate and enhance its industry position.

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

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

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

5. *Internationalization Risk*

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

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

VI. OTHER INFORMATION

Employees

As at 31 December 2025, the Group had a total of 7,512 employees. Remuneration paid to the Group's employees is comprised of basic salary of the respective position and performance-based salary, with the performance-based salary determined based on the performance of the Group and performance assessment results of the employees. The Group also implemented the employee share ownership scheme, realizing the combination of medium to long-term interests of the enterprise and its employees.

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

During the Reporting Period, the Group paid employees remuneration of RMB2,348.06 million in aggregate.

FINAL DIVIDEND

In 2025, the competitive situation across the industry chain remained intense due to the current slowdown in global new energy development growth and structural imbalances in supply and demand within the PV industry. Under the guidance of the national anti-involution policies, polysilicon prices remained under pressure and fluctuating. Given that the Group remained in a loss-making position for the year 2025 and still faces considerable pressures and challenges in its production and operation in 2026, in order to safeguard the Group's cash flow security, enhance its resilience against risks, ensure the stability of its production and operations, and maximize the interests of the Group and its shareholders, the Board proposed not to declare a final dividend for the year ended 31 December 2025.

The proposal to distribute a final dividend is subject to approval by shareholders at the 2025 annual general meeting (“**AGM**”). In the future, the Company will continue to comprehensively consider various factors related to the Company's business development and profit distribution, and share the results of the Group's sustainable development with investors from the perspective of benefiting the development of the Group and investor returns.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the shareholders who are entitled to attend and vote at the upcoming AGM to be held on Tuesday, 16 June 2026, the register of members of the Company will be closed from Thursday, 11 June 2026 to Tuesday, 16 June 2026, both days inclusive, during which period no transfer of shares will be registered. Holders of H shares and domestic shares whose names appear on the register of members of the Company on Tuesday, 16 June 2026 are entitled to attend and vote at this AGM. Holders of H shares of the Company who intend to attend and vote at this AGM must lodge all transfer documents accompanied by the relevant H share certificates with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Wednesday, 10 June 2026 for registration. Holders of domestic shares of the Company who intend to attend and vote at this AGM shall lodge all transfer documents accompanied by the relevant domestic share certificates with the office of the Securities Department of the Company at No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone, Urumqi, Xinjiang, the PRC no later than 4:30 p.m. on Wednesday, 10 June 2026 for registration.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

As a company listed on the Stock Exchange, the Company is committed to maintaining high standards of corporate governance to safeguard the interests of its shareholders and to enhance corporate value and accountability. The Company has complied with all the applicable code provisions of the CG Code as set out in Appendix C1 to the Listing Rules during the Reporting Period, and adopted the recommended best practices set out therein, if applicable. At the same time, the Group will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

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

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

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

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 Reporting Period.

As at 31 December 2025, the Company did not hold any treasury shares.

AUDIT COMMITTEE

The audit committee of the Board of the Company has reviewed the Group’s annual results for the year ended 31 December 2025 and the audited consolidated financial statements for the year ended 31 December 2025 prepared in accordance with the CASBE.

AUDITOR

SHINEWING Certified Public Accountants LLP (“SHINEWING”) was appointed as auditor of the Company for the year ended 31 December 2025. SHINEWING has audited the consolidated financial statements of the Group for the year ended 31 December 2025, which were prepared in accordance with the CASBE. SHINEWING will retire from its office as auditor of the Company at the AGM and, being eligible, will offer itself for re-appointment. A resolution for the re-appointment of SHINEWING as auditor of the Company for the year 2026 will be proposed at the AGM.

PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company’s website (www.xinteenergy.com) and the 2025 annual report of the Company will be published on the websites of the Stock Exchange and the Company in due course.

By order of the Board
Xinte Energy Co., Ltd.
Huang Hanjie
Chairman

Xinjiang, the PRC
29 March 2026

As at the date of this announcement, the Board consists of Mr. Huang Hanjie, Mr. Nan Xinjian and Ms. Huang Fen as executive directors; Mr. Zhang Xin, Mr. Yang Xiaodong and Mr. Hu Youcheng as non-executive directors; and Mr. Cui Xiang, Mr. Chen Weiping and Mr. Tam, Kwok Ming Banny as independent non-executive directors.

* *For identification purpose only*