福萊特玻璃集團股份有限公司
Flat Glass Group Co., Ltd.

(a joint stock limited company incorporated in the People's Republic of China)

Stock Code: 6865

2025 ANNUAL REPORT

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Corporate Information

DIRECTORS

Executive directors

Mr. Ruan Hongliang *(Chairman of the Board of Directors)*
Ms. Jiang Jinhua
Ms. Ruan Zeyun
Mr. Wei Yezhong
Mr. Shen Qifu

Employee director

Ms. Niu Liping *(appointed on 9 December 2025)*

Independent non-executive directors

Ms. Xu Pan
Ms. Ng Yau Kuen Carmen
Ms. Du Jian

SUPERVISORS

Mr. Zheng Wenrong *(Chairman of the Board of Supervisors) (resigned on 9 December 2025)*
Mr. Shen Fuquan *(resigned on 9 December 2025)*
Mr. Zhu Quanming *(resigned on 9 December 2025)*
Ms. Niu Liping *(resigned on 9 December 2025)*
Ms. Zhang Huizhen *(resigned on 9 December 2025)*

AUDIT COMMITTEE

Ms. Xu Pan *(Chairman)*
Ms. Ng Yau Kuen Carmen
Ms. Du Jian

REMUNERATION COMMITTEE

Ms. Xu Pan *(Chairman)*
Mr. Ruan Hongliang
Ms. Du Jian

NOMINATION COMMITTEE

Ms. Xu Pan *(Chairman)*
Mr. Ruan Hongliang
Ms. Du Jian

STRATEGIC DEVELOPMENT COMMITTEE

Mr. Ruan Hongliang *(Chairman)*
Ms. Ruan Zeyun
Ms. Xu Pan

RISK MANAGEMENT COMMITTEE

Mr. Ruan Hongliang *(Chairman)*
Ms. Jiang Jinhua
Ms. Du Jian

COMPANY SECRETARY

Ms. Ruan Zeyun

AUTHORISED REPRESENTATIVES

Mr. Ruan Hongliang
Ms. Ruan Zeyun

REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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Xiuzhou District
Jiaxing
Zhejiang Province
People's Republic of China ("PRC")

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 7, 21/F.
Yen Sheng Centre
64 Hoi Yuen Road
Kwun Tong
Kowloon
Hong Kong

CORPORATE WEBSITE

www.flatgroup.com.cn

LEGAL ADVISERS AS TO HONG KONG LAW

Morgan, Lewis & Bockius

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants LLP

PRINCIPAL BANKERS

Bank of China Limited
China CITIC Bank Corporation Limited
Industrial and Commercial Bank of China Limited
DBS Bank Limited

H SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Five-Year Financial Summary

	For the year ended 31 December				
	2025	2024	2023	2022	2021
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	**15,566,789**	18,682,602	21,523,709	15,460,843	8,713,228
Net profit	**992,609**	1,016,130	2,763,027	2,122,780	2,119,919
Earnings per share					
– Basic (RMB)	**0.42**	0.43	1.24	0.99	0.99
– Diluted (RMB)	**0.42**	0.43	1.24	0.99	0.99

	For the year ended 31 December				
	2025	2024	2023	2022	2021
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
– Non-current assets	**30,107,666**	29,042,752	26,149,026	20,000,430	11,184,615
– Current assets	**12,276,748**	13,877,046	16,832,972	12,381,293	8,898,302
Total assets	**42,384,414**	42,919,798	42,981,998	32,381,723	20,082,917
– Current liabilities	**7,841,263**	8,695,528	9,184,980	10,533,414	6,164,462
– Non-current liabilities	**11,931,627**	12,440,109	11,506,108	7,815,861	2,108,286
Total liabilities	**19,772,890**	21,135,637	20,691,088	18,349,275	8,272,748
Net assets	**22,611,524**	21,784,161	22,290,910	14,032,447	11,810,169
Share capital	**585,720**	585,730	587,831	536,723	536,723
Total equity	**22,611,524**	21,784,161	22,290,910	14,032,447	11,810,169
Equity attributable to owners of the parent company	**22,515,025**	21,698,798	22,215,074	14,032,447	11,810,169

The financial summary for the years 2021, 2022, 2023, 2024 and 2025 were extracted from the consolidated financial statements prepared in accordance with the China Accounting Standards for Business Enterprises.

BUSINESS OVERVIEW

The Group is principally engaged in the manufacturing and sales of various glass products, including PV glass, float glass, architectural glass and household glass. The production facilities of the Group are strategically located in Jiaxing, Zhejiang Province, and Fengyang County, Chuzhou, Anhui Province in the PRC and Haiphong, Vietnam. The Group mainly sells glass products to customers in countries including China, Korea, India, Turkey, the United States and Southeast Asia.

In 2025, the Group faced numerous challenges in its operations. The decline in glass prices became a key factor affecting the Company's profitability. As the core product of the Company, PV glass saw its market price continue to fall. Affected by this, the Company's overall gross margin was ongoing weakness. Meanwhile, due to the imbalance of supply and demand in the industry, in order to optimize the capacity structure, some of the Company's kilns entered the cold repair phase, which had a certain impact on the Company's operating revenue.

For the financial year ended 31 December 2025, the operating revenue of the Group was approximately RMB15,566.8 million, representing a decrease of 16.68% as compared to the revenue of RMB18,682.6 million for the financial year ended 31 December 2024. Despite facing tremendous challenges in the industry environment, the Group was unable to fully offset the operating pressure from continuous bottom out in the price of PV glass even with a series of measures such as deepening the quality and efficiency improvement strategy and optimizing the operation and management mechanism. Consequently, the net profit attributable to the parent company decreased significantly year-on-year. For the financial year ended 31 December 2025, the net profit attributable to shareholders of the parent company was RMB980.6 million, representing a decrease of 2.58% as compared to the net profit attributable to shareholders of the parent company of RMB1,006.6 million for the financial year ended 31 December 2024.

SHARE SCHEMES OF THE COMPANY

2020 Restricted A Share Incentive Scheme

On 29 June 2020, the shareholders of the Company approved a restricted A share incentive scheme (the "2020 Incentive Scheme"). The principal terms of the 2020 Incentive Scheme are as follows:

a. The purpose of the 2020 Incentive Scheme

For the purpose of further improving the corporate governance structure, establishing and improving the Company's long-term incentive and restraint mechanism, attracting and retaining senior and middle management and key technical staff, fully mobilizing their enthusiasm, effectively enhancing the cohesion of core team and core competitiveness of the enterprise, bonding the interests of shareholders, the Company and core teams together effectively, enabling all parties to jointly pay attention to the long-term development of the Company and securing the successful achievement of the Company's long-term development goals and business objectives, and under the premise of fully safeguarding the interests of the shareholders, the 2020 Incentive Scheme is prepared following the principle of reciprocity between revenue and contribution in accordance with the relevant laws, regulations and normative documents including the Company Law of the PRC, the Securities Law of the PRC and the Assessment Management Measures for the Implementation of the Restricted A Share Incentive Scheme for 2020 of the Company, the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"), as well as the Articles of Association.

b. The participants of the 2020 Incentive Scheme

The participants of the 2020 Incentive Scheme include the senior and middle management and key technical staff of the Company (including its subsidiaries).

c. The total number of Shares available for issue

6,000,000 restricted A Shares are proposed to be granted under the 2020 Incentive Scheme, representing 0.31% of the Company's total share capital of 1,950,000,000 Shares as at 29 June 2020, including 5,000,000 A Shares under the first grant, representing 0.26% of the Company's total share capital as at 29 June 2020 and 83.33% of the total restricted shares to be granted under the 2020 Incentive Scheme; and 1,000,000 reserved A Shares, representing 0.05% of the Company's total share capital as at 29 June 2020 and 16.67% of the total restricted shares to be granted under the 2020 Incentive Scheme.

There are no shares available for issue under the 2020 Incentive Scheme as at 31 December 2025.

d. The maximum entitlement of each participant

The total number of A Shares to be granted to any participant under all the fully effective share incentive schemes of the Company shall not exceed 1.00% of the total share capital (excluding treasury Shares) of the Company.

e. The remaining life of the 2020 Incentive Scheme

The validity period of the 2020 Incentive Scheme shall commence on the grant date and end on the date when all the restricted shares are unlocked or otherwise repurchased and cancelled, which shall not be longer than 72 months. As at 31 December 2025, the remaining life of the first granted shares of the 2020 Incentive Scheme and the reserved granted shares of the 2020 Incentive Scheme shall be 8 months and 17 months, respectively.

Details of the restricted shares granted under the 2020 Incentive Scheme during the year ended 31 December 2025 are set out below:

				Number of Restricted Shares						
Category of participants	Date of grant	Lock-up period	Grant price *(RMB)*	As at 1 January 2025	Granted during the year	Attributed during the year	Cancelled during the year *(Note7)*	Cancellation price *(RMB)*	Lapsed during the year	As at 31 December 2025
13 Employees *(Note7)*	11 August 2020	*Notes 1, 3*	6.23 *(Note 5)*	860,000	Nil	820,000	40,000	6.23	Nil	0
3 Employees	25 May 2021	*Notes 2, 3*	14.23 *(Note 6)*	280,000	Nil	140,000	Nil	Nil	Nil	140,000
Total				**1,140,000**	**Nil**	**960,000** *(Note 4)*	**40,000**	**6.23**	**Nil**	**140,000**

Notes:

1. The unlocking arrangement for the restricted shares under the first grant of the 2020 Incentive Scheme is shown in the table below:

Unlocking arrangement	Unlocking Period	Unlocking proportion
First Unlocking Period	Commencing from the first trading day upon the expiry of 12 months from the grant date of the first grant of the restricted shares to the last trading day upon the expiry of 24 months from the grant date of the first grant of the restricted shares	20%
Second Unlocking Period	Commencing from the first trading day upon the expiry of 24 months from the grant date of the first grant of the restricted shares to the last trading day upon the expiry of 36 months from the grant date of the first grant of the restricted shares	20%
Third Unlocking Period	Commencing from the first trading day upon the expiry of 36 months from the grant date of the first grant of the restricted shares to the last trading day upon the expiry of 48 months from the grant date of the first grant of the restricted shares	20%
Fourth Unlocking Period	Commencing from the first trading day upon the expiry of 48 months from the grant date of the first grant of the restricted shares to the last trading day upon the expiry of 60 months from the grant date of the first grant of the restricted shares	20%
Fifth Unlocking Period	Commencing from the first trading day upon the expiry of 60 months from the grant date of the first grant of the restricted shares to the last trading day upon the expiry of 72 months from the grant date of the first grant of the restricted shares	20%

2. The unlocking arrangement for the reserved restricted shares is shown in the table below:

Unlocking arrangement	Unlocking Period	Unlocking proportion
First Unlocking Period	Commencing from the first trading day upon the expiry of 12 months from the grant date of the reserved restricted shares to the last trading day upon the expiry of 24 months from the grant date of the reserved restricted shares	20%
Second Unlocking Period	Commencing from the first trading day upon the expiry of 24 months from the grant date of the reserved restricted shares to the last trading day upon the expiry of 36 months from the grant date of the reserved restricted shares	20%
Third Unlocking Period	Commencing from the first trading day upon the expiry of 36 months from the grant date of the reserved restricted shares to the last trading day upon the expiry of 48 months from the grant date of the reserved restricted shares	20%
Fourth Unlocking Period	Commencing from the first trading day upon the expiry of 48 months from the grant date of the reserved restricted shares to the last trading day upon the expiry of 60 months from the grant date of the reserved restricted shares	20%
Fifth Unlocking Period	Commencing from the first trading day upon the expiry of 60 months from the grant date of the reserved restricted shares to the last trading day upon the expiry of 72 months from the grant date of the reserved restricted shares	20%

3. For the restricted shares that have not been applied for unlocking or cannot be applied for unlocking due to failure to meet the unlocking conditions during the aforesaid unlocking periods, the Company will repurchase and cancel such restricted shares from relevant participants in accordance with the principles of the 2020 Incentive Scheme. If the unlocking conditions are satisfied, the Company shall handle the unlocking of the restricted shares which satisfied the conditions at its discretion. Please refer to the circular of the Company dated 27 May 2020 for details of the unlocking conditions under the 2020 Incentive Scheme.

4. The weighted average closing price of the shares immediately before the dates on which the restricted shares were vested is RMB16.95.

5. With reference to the relevant requirements under the Management Measures for Share Incentive Scheme Adopted by Listed Companies（上市公司股權激勵管理辦法） issued by the CSRC, the grant price of the restricted shares under the first grant shall not be lower than the par value of the Shares, and shall be the higher of the following:

   (1) 50% of the average trading price of the Shares of the Company for the last trading day immediately preceding the date of the 2020 Incentive Scheme draft, being RMB6.23 per share;

   (2) 50% of the average trading price of the Shares of the Company for the last 20 trading days immediately preceding the date of the 2020 Incentive Scheme draft, being RMB5.75 per share.

6. Before each grant of the reserved restricted shares, the Company shall hold a Board meeting to pass the relevant resolution, and shall disclose an announcement on such grant. With reference to the relevant requirements under the Management Measures for Share Incentive Scheme Adopted by Listed Companies（上市公司股權激勵管理辦法） issued by the CSRC, the grant price of the reserved restricted shares shall not be lower than the par value of the Shares, and shall be the higher of the following:

   (1) 50% of the average trading price of the Shares of the Company for the last trading day immediately preceding the date of Board meeting relating to the grant of the reserved restricted shares;

   (2) 50% of the average trading price of the Shares of the Company for the last 20 trading days immediately preceding the date of Board meeting relating to the grant of the reserved restricted shares.

   On 25 May 2021, the Company hold the second meeting of the sixth Board to consider and approve the Proposal on the Reserved Grant of the Restricted A Shares to Participants. Pursuant to which, the Company agreed to grant 700,000 restricted A shares to three participants, at the grant price of RMB 14.23 per share on the grant date of 25 May 2021.

7. Given that one participant under the first grant of the 2020 Incentive Scheme was found to have committed illegal or disciplinary violations, the Company has terminated the employment relationship and the individual no longer qualifies for the incentive. The Board of Director resolved to repurchase and cancel the 40,000 restricted shares that had been granted but had not yet been unlocked. The Company has completed cancellation on 24 October 2025.

The number of restricted shares available for grant under the 2020 Incentive Scheme at 1 January 2025 and 31 December 2025 is nil. There is no service provider sublimit under the 2020 Incentive Scheme.

The Remuneration Committee is responsible for drafting and revising the 2020 Incentive Scheme and submitting the same to the Board for consideration. During the year ended 31 December 2025, the Remuneration Committee reviewed the unlocking applications of the fifth tranche of 20% first granted restricted shares and the fourth tranche of 20% of the reserved restricted shares granted under the 2020 Incentive Scheme. Given that one participant under the first grant of the 2020 Incentive Scheme was found to have committed illegal or disciplinary violations, the Company has terminated the employment relationship and the individual no longer qualifies for the incentive. The Board of Director resolved to repurchase and cancel the 40,000 restricted shares that had been granted but had not yet been unlocked. The Company has completed cancellation of such restricted shares on 24 October 2025. Other participants' unlocking conditions have been fully satisfied, and the Remuneration Committee approved such unlocking arrangement. The Remuneration Committee and the Board are of the view that the arrangement is appropriate considering that the unlocking of the granted restricted shares acts as a means for the Company to reward the grantees' past contributions to the Group and incentivise the grantees to continuously contribute to the operation, development and long-term growth of the Group, which is in line with the purpose of the 2020 Incentive Scheme.

2021 A Share Option Incentive Scheme

On 17 August 2021, the Company announced the plan to implement an A share option incentive scheme (the "2021 A Share Option Scheme").

The principal terms of the 2021 A Share Option Scheme are as follows:

a. Purpose of the 2021 A Share Option Scheme

As incentive or rewards to eligible participants for their contribution to the Company to further improve the corporate governance structure of the Company, establish and enhance the long-term incentive and constraint mechanism of the Company, attract and retain talents, fully mobilize the proactiveness and creativities of the senior and mid-level management and technical personnel of the Company, effectively promote the cohesiveness of the core team and the core competitiveness of the enterprise, effectively align the interests of shareholders, the Company and the core management team, enabling all parties to focus on the long-term development of the Company, and ensure the achievements of the development strategies and operation objectives of the Company.

b. Eligible participants of the 2021 A Share Option Scheme

Participants of the 2021 A Share Option Scheme are the senior and mid-level management and technical personnel of the Company (including subsidiaries) as at the date of the announcement of the 2021 A Share Option Scheme published on the website of the Shanghai Stock Exchange. The Remuneration Committee prepared a list of eligible scope of the participants of the 2021 A Share Option Scheme and the list was reviewed and confirmed by the Supervisory Committee. None of the participants of the 2021 A Share Option Scheme is a Director or supervisor of the Company.

c. Total number of Shares available for issue under the 2021 A Share Option Scheme and percentage to the issued share capital

The number of share options proposed to be granted under the 2021 A Share Option Scheme is 5,947,858, representing approximately 0.28% of the total issued share capital of 2,146,893,254 Shares as at the date of approval, among which, the first grant of share options consists of 5,353,072 Shares (the "First Grant"), representing approximately 0.25% of the total issued share capital of 2,146,893,254 Shares as at the date of approval and 90% of the total number of share options under the grant; the reserved share options consist of 594,786 Shares, representing approximately 0.03% of the total issued share capital of 2,146,893,254 Shares as at the date of approval and 10% of the total number of share options under the grant.

There are no shares available for issue under the 2021 A Share Option Scheme as at 31 December 2025.

d. Maximum entitlement of each participant under the 2021 A Share Option Scheme

The total number of Shares to be granted under the 2021 A Share Option Scheme to any one of the above participants during the validity period will not exceed 1.00% of the Company's total share capital (excluding treasury Shares). The total number of target shares involved in the 2021 A Share Option Scheme during the validity period will not exceed 10.00% of the total share capital (excluding treasury Shares) of the Company when the 2021 A Share Option Scheme was submitted to the shareholders' general meeting. The reserved share options shall not exceed 20.00% of the total share options available under the 2021 A Share Option Scheme. If the participants voluntarily waive the benefits granted due to personal reasons, the Board shall make corresponding adjustments to the number of shares options granted.

e. The minimum period for which an option must be held before it can be exercised

Upon the fulfillment of conditions of the exercise of the share options under the 2021 A Share Option Scheme, the granted share options are exercisable in five tranches upon expiry of 12 months from the Date of Grant.

f. The amount payable on acceptance of the option and the period within which payments must be made

There is no amount payable on application or acceptance of the option and there is no time requirement for which payments must or may be made.

g. The remaining life of the 2021 A Share Option Scheme

The validity period of the 2021 A Share Option Scheme commenced from the Date of Grant, and shall end on the date on which all the share options granted to the participants under the 2021 A Share Option Scheme have been exercised or cancelled, and shall not be longer than 72 months.

h. Accounting policy adopted for the share options

The Date of Grant is 19 November 2021. On each balance sheet date within the vesting period, the Company shall recognize the relevant assets costs or current expenses for the services acquired during such period and shall be recognized under "Capital Reserve − Other Capital Reserve" at the fair value of the share options on the Date of Grant based on the best estimate of the number of exercisable share options.

If the exercise conditions are met on the exercise date, the share options can be exercised and carried forward to the "Capital Reserve − Other Capital Reserve" recognized on each balance sheet date before the exercise date; if all or part of the share options become invalid or are abolished due to failure to exercise, it shall be treated in accordance with accounting standards and related regulations.

As for the accounting treatment after the exercise date, no adjustment shall be made to the confirmed costs and total owner's equity.

In accordance with the relevant requirements of the Accounting Standards for Business Enterprises No. 11 – Share-based Payments (企業會計準則第11號 – 股份支付) and the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments (企業會計準則第22號 – 金融工具確認和計量), the Company uses the Black-Scholes model (BS model) as the pricing model, and the Company uses this model to make an estimation on the fair value of the share options granted based on 17 August 2021 (official calculation will be conducted at the time of grant). The specific parameters are selected as follows:

(i) Price of target shares: RMB42.89 per share (closing price on 17 August 2021)

(ii) Validity Period: 1 year, 2 years, 3 years, 4 years and 5 years, respectively (period commencing from Date of Grant and ending on the first date of exercise for each respective period)

(iii) Historic volatility: 14.73%, 17.44%, 18.71%, 17.92% and 16.55% (annualized volatility for the corresponding period of SSE Composite Index)

(iv) Risk-free interest rate: 1.50%, 2.10% and 2.75% (based on one-year, two-year, three-year, three-year and above RMB deposit benchmark interest rate, respectively, of financial institutes developed by the People's Bank of China)

As the internal and external environment in which the Company is operating has undergone great changes since the formulation of the 2021 A Share Option Scheme, it is difficult for the Company to achieve the expected incentive goals and effects of the 2021 A Share Option Scheme. To effectively incentive employees and protect the interests of the Company, employees, and shareholders as a whole, the Board proposed to terminate the implementation of the 2021 A Share Option Scheme and the supporting documents including the 2021 A Share Option Incentive Scheme and the Appraisal Management Measures for Implementation of the 2021 A Share Option Incentive Scheme. The termination of the 2021 A Share Option Scheme was approved by the shareholders at the annual general meeting held on 16 June 2025, and the outstanding 3,147,284 share options under the 2021 A Share Option Incentive Scheme were cancelled accordingly. For further details, please refer to the announcement of the Company dated 29 April 2025 and the circular of the Company dated 22 May 2025.

As at 31 December 2025, the details of movement in share options granted under the 2021 A Share Option Scheme are as follows:

					Number of share options				
Grantees	**Date of grant**	**Exercise price (RMB)**	**Exercise period and exercisable portion of the share options granted**	**Vesting schedule of the share options granted**	**Granted during the year**	**Exercised during the year**	**Cancelled during the year**	**Lapsed during the year**	**Outstanding as at 31 December 2025**
Mr. Zhu Yuping *Note 1*	19 November 2021	43.17 *Note 2*	*Note 3*	*Note 4*	Nil	Nil	24,000	Nil	Terminated
Other 282 Employees	19 November 2021	43.17 *Note 2*	*Note 3*	*Note 4*	Nil	Nil	3,123,284	Nil	Terminated
Total					–	–	3,147,284	–	Terminated

Notes:

1. Mr. Zhu Yuping (祝宇平) is the son of Mr. Zhu Quanming (祝全明), a supervisor of the Company thus a connected person of the Company.

2. The exercise price under the First Grant of share options is RMB44.02 per share. According to the relevant provisions of the Measures for the Management of Equity Incentives for Listed Companies (《上市公司股權激勵管理辦法》) and the 2021 A Share Option Incentive Scheme of Flat Glass Group Co., Ltd. (《福萊特玻璃集團股份有限公司2021年A股股票期權激勵計劃》), in the event of capitalization of capital reserves, bonus issue, dividend distribution, subdivision or consolidation of Shares, rights issue, etc. of the Company during the period from the date of the announcement of the 2021 A Share Option Scheme to the completion of share registration of share options by the Participants, the exercise price and the total number of underlying shares involved would be adjusted in accordance with the 2021 A Share Option Scheme, and any adjustment shall not be less than the nominal value of the shares. The Company has paid an interim dividend of RMB0.23 per ordinary share (before tax) for 2022 to all shareholders on 23 November 2022. Therefore, the exercise price shall be adjusted to RMB43.79 per share. The Company has paid an interim dividend of RMB0.238 per ordinary share (before tax) for 2023 to all shareholders on 27 November 2023 and the Company has paid an annual dividend of RMB0.38 per ordinary share (before tax) for 2023 to all shareholders on 19 July 2024. Therefore, the exercise price shall be adjusted to RMB43.17 per share.

3. Upon the fulfillment of conditions of the exercise of the share options under the 2021 A Share Option Scheme, the share options granted are exercisable in five tranches upon expiry of 12 months from 19 November 2021 ("Date of Grant").

   The exercise arrangement for the First Grant of share options under the 2021 A Share Option Scheme is as follows:

Exercise Arrangement	Exercise Period	Proportion of exercisable share options to the total number of share options granted
First Exercise Period	Commencing from the first trading day after the expiry of the 12th month from the Date of Grant of the First Grant of share options, and ending on the last trading day of the 24th month from the Date of Grant	20%
Second Exercise Period	Commencing from the first trading day after the expiry of the 24th month from the Date of Grant of the First Grant of share options, and ending on the last trading day of the 36th month from the Date of Grant	20%
Third Exercise Period	Commencing from the first trading day after the expiry of the 36th month from the Date of Grant of the First Grant of share options, and ending on the last trading day of the 48th month from the Date of Grant	20%
Fourth Exercise Period	Commencing from the first trading day after the expiry of the 48th month from the Date of Grant of the First Grant of share options, and ending on the last trading day of the 60th month from the Date of Grant	20%
Fifth Exercise Period	Commencing from the first trading day after the expiry of the 60th month from the Date of Grant of the First Grant of share options, and ending on the last trading day of the 72th month from the Date of Grant	20%

4. All share options granted to the participants are subject to different vesting periods, and each of them commences on the date on which the registration of the grant of share options is completed. The interval between the Date of Grant and the first exercise date shall not be less than 12 months.

   The participants of the 2021 A Share Option Scheme may exercise share options upon the expiration of the vesting period. The exercise date must be a trading day within the validity period of the 2021 A Share Option scheme, and shall not fall within the period prohibited from exercising rights of share options by the listing rules of the stock exchange where the Shares are listed.

The number of options available for grant under the 2021 A Share Option Scheme at 1 January 2025 and 31 December 2025 is nil and nil, respectively. There is no service provider sublimit under the 2021 A Share Option Scheme.

As at 31 December 2025, the number of shares that may be issued in respect of options and awards granted under all schemes of the Company divided by the weighted average number of shares in issue (excluding treasury Shares) for the year is nil.

INDUSTRY OVERVIEW

In 2025, the global PV industry witnessed continuous growth, further consolidating the strategic position of PV power generation in the transformation of the global energy structure. According to data from the China Photovoltaic Industry Association, the global new PV installations reached approximately 580 GW in 2025, representing a 10% year-over-year increase. Among them, China's new PV installations reached approximately 315.07 GW. China continued to dominate the global market, accounting for over 50% of global new PV installations. The PV markets also recorded strong performance in India, the U.S., Europe, and the Middle East. The PV installations presented a remarkable growth in the emerging markets including Brazil, Saudi Arabia, and South Africa. The PV markets across the globe presented a diversified development.

From the view of industry supply and demand patterns, in 2025, the supply and demand of the overall industry entered a rebalance stage with continuous adjustment of the PV market following 2024. On the one hand, the market was still highly competitive with continuous release of expanded production capacity in the earlier stage; on the other hand, the supply and demand relationship in the market gradually improved with elimination of outdated production capacity.

Challenges facing the industry

(1) Pressures from supply and demand imbalance and price competition

In 2025, although the pace of new capacity release slowed down, the scale of accumulated capacity in the early stage remained huge, and the phenomenon of periodically mismatch between supply and demand still existed. Affected by the high inventory levels of downstream modules and the adjustment of production scheduling, the inventory pressure on PV glass enterprises was on the rise. The intensifying market competition led to a deep adjustment in product prices, tightening profit margins of enterprises. Although the price war cooled in the second half of the year, the average gross profit margin of the industry remained historically low, posing a severe test to the cost control capabilities of enterprises.

(2) Risks from trade barriers and globalization of operations

Amid rising protectionism in global trade, the PV industry has become a key area of global trade tensions. In 2025, the U.S. continued to implement anti-dumping and countervailing duties, anti-circumvention investigations of PV cell module products from China and four Southeast Asian countries (Vietnam, Thailand, Malaysia, and Cambodia), as well as the Section 301 Investigations of Chinese PV glass and modules, further increasing tariff risks. The EU continued to implement anti-dumping and countervailing duties on Chinese PV glass, advanced the supply chain diversification strategy, strengthened the assessment of carbon footprint and local content requirements for imported PV products. The EU officially entered into effect the Carbon Border Adjustment Mechanism (CBAM) after the transitional phase. India ruled to impose anti-dumping and countervailing duties on PV glass from China and Vietnam. Countries such as Brazil and Turkey also followed by raising tariff barriers or setting local procurement thresholds. The complexity of the global trade environment has increased the uncertainties of enterprises' overseas layout, significantly raising compliance costs and operational risks.

Important opportunities in industry development

(1) Demand is set to rise steadily, brought about by the deepening of global energy transition during the 15th Five-Year Plan period

Driven by the goal of carbon neutrality, the economy of global PV power generation continues to improve, ushering in an era of grid parity and even low-cost grid. According to data from the China Photovoltaic Industry Association, based on the 580 GW of new global PV installations in 2025, the annual average new installations during the 15th Five-Year Plan period are expected to remain at a high level of over 700 GW. Emerging markets in the Middle East, Africa, and Southeast Asia see rapid growth in PV installations, becoming new growth poles. The long-term demand for PV glass remains vast.

(2) Opportunities brought about by the increased industry concentration

The market accelerates the survival of the fittest during the adjustment cycle. For small and medium-sized enterprises, as they lack cost advantages, technological reserves, and economies of scale, they can accelerate the clearance of capacity, thus rapidly improving industry concentration. For leading enterprises, as they leverage their financial strength, cost management, scale advantages, technological expertise, and customer resources, they can take the initiative in industry integration, further expand market share, and optimize production capacity layout.

Future Prospect

Facing a mix of challenges and opportunities from the industry, the Group will solidify our leading position during the cycle of industry integration, seize long-term development opportunities, in order to achieve high-quality development by establishing competitive barriers through cost leadership, propelling product upgrades through technological innovation, and expanding market share through global capacity deployment.

FINANCIAL PERFORMANCE

During FY2025, the PV industry entered a period of profound adjustment. In terms of the demand side, the growth rate of domestic PV installations declined, marking that the industry had shifted from rapid expansion into steady development. At the same time, the trade barriers resulting from overseas geopolitics restricted the export space, and the adjustment of domestic electricity price policies weakened the impulse to build downstream power stations. Due to this demand squeeze plus irrational involuntary competition within the industry, the entire industrial chain saw an imbalance between supply and demand, and the price of PV glass products continued to decline throughout the year. As a result, the profit margin of the enterprise was seriously squeezed, and the whole industry faced considerable business challenges. For the financial year ended 31 December 2025, the operating revenue of the Group was approximately RMB15,566.8 million, representing a decrease of 16.68% as compared to RMB18,682.6 million for the financial year ended 31 December 2024. Despite facing tremendous challenges in the industry environment, the Group was unable to partly offset the operating pressures from continuous bottoming out in the price of PV glass by taking a series of measures, including the strategy of deepening the quality and efficiency improvement strategy and the mechanism of optimizing the operation and management mechanism. However, due to the drag of market prices, for the financial year ended 31 December 2025, the net profit attributable to the shareholders of the parent company was RMB980.6 million, representing a decrease of 2.58% as compared to the net profit attributable to shareholders of the parent company of RMB1,006.6 million for the financial year ended 31 December 2024.

Revenue

The operating revenue of the Group for the financial year ended 31 December 2025 was approximately RMB15,566.8 million, representing a decrease of 16.68% as compared to RMB18,682.6 million for the financial year ended 31 December 2024. Revenue from PV glass for 2025 was RMB13,986.1 million, representing a decrease of 16.83% as compared to RMB16,816.1 million for the financial year ended 31 December 2024. Subject to the dual compression of supply and demand imbalance as well as involuntary competition in the PV industry, the price of PV glass has entered a downward phase since the second half of 2024, resulting in a significant year-on-year decline in the central price of products in the FY2025, which in turn imposed considerable pressures on the sales revenue of the Group from PV glass.

In terms of other glass products, the revenue from float glass for 2025 was RMB110.7 million, representing a decrease of 60.86% as compared to RMB282.8 million for the financial year ended 31 December 2024, due to the impact of the periodic downturn in the real estate market. The Company optimized its customer screening strategy to voluntarily give up inefficient orders and risky customers, resulting in a shrunk revenue scale but effectively controlling operating risks. The revenue from household glass for 2025 was RMB250.6 million, representing a decrease of 18.72% as compared to RMB308.3 million for the financial year ended 31 December 2024. The revenue from architectural glass for 2025 was RMB543.6 million, representing an increase of 8.27% as compared to RMB502.1 million for the financial year ended 31 December 2024.

The following table sets forth the breakdown of our revenue for the years indicated:

	For the year ended 31 December	
	2025	2024
	(Audited)	(Audited)
	(RMB'000)	(RMB'000)
Categories of goods		
PV glass	**13,986,092.63**	16,816,104.20
Household glass	**250,572.55**	308,338.95
Architectural glass	**543,572.70**	502,124.38
Float glass	**110,679.42**	282,820.42
Power generation income	**503,814.47**	421,258.70
Mining products (1)	**92,761.17**	311,476.72
Other businesses (2)	**79,295.63**	40,479.11
By geographical regions		
China	**10,513,692.93**	14,277,293.83
Asia (excluding China)	**3,207,790.84**	3,109,178.39
Europe	**189,172.60**	162,939.44
North America	**1,642,239.98**	1,114,478.08
Others	**13,892.22**	18,712.74

Notes:

(1) Mining products mainly includes the selling of quartzite ore to third parties.

(2) Other businesses mainly includes rental income and sales income of materials.

Operating costs

The operating costs for the year ended 31 December 2025 was RMB12,934.7 million, representing a decrease of RMB2,852.9 million or 18.07% as compared to the operating costs of RMB15,787.6 million for the year ended 31 December 2024, due to the decrease in operating costs benefiting from the implementation of the quality and efficiency improvement measures of the Group in line with the decline in sales volume and the downturn in the price of raw materials.

Gross profit and gross profit margin

The gross profit of the Group for the year ended 31 December 2025 was RMB2,632.1 million, representing a decrease of 9.08% as compared to RMB2,895.0 million for 2024. The gross profit margin was 16.91%, representing an increase of 1.41 percentage points as compared to 15.50% for 2024. The increase in gross profit margin of the PV glass segment provided greater support for the overall gross profit margin.

	For the year ended 31 December			
	2025 (Audited)		2024 (Audited)	
	Gross profit (RMB'000)	**Gross profit margin (%)**	Gross profit (RMB'000)	Gross profit margin (%)
PV glass	**2,253,195.43**	**16.11**	2,629,587.19	15.64
Household glass	**31,370.41**	**12.52**	41,106.71	13.33
Architectural glass	**185,352.42**	**34.10**	36,189.90	7.21
Float glass	**(15,131.03)**	**(13.67)**	(10,139.20)	(3.59)
Power generation income	**162,103.03**	**32.18**	130,602.25	31.00
Mining products	**(30,417.54)**	**(32.79)**	49,137.30	15.78
Other businesses	**45,591.07**	**57.50**	18,511.81	45.73
Total	**2,632,063.79**	**16.91**	2,894,995.96	15.50

Sales expenses

The sales expenses of the Group for the year ended 31 December 2025 amounted to RMB69.5 million, representing an increase of 33.65% as compared to RMB52.0 million for the year ended 31 December 2024. The increase was mainly due to the increase in expenses on the use of racks.

Administrative expenses

The administrative expenses of the Group for the year ended 31 December 2025 amounted to RMB336.1 million, representing an increase of 2.59% as compared to RMB327.6 million for the year ended 31 December 2024. The increase was mainly due to the expenses related to the optimization of production capacity layout for the year, with the overall cost control remained at a stable level and the administrative expense ratio maintained at a reasonable level.

Research and development costs

The research and development costs of the Group for the year ended 31 December 2025 amounted to RMB430.7 million, representing a decrease of 28.79% from RMB604.8 million for the year ended 31 December 2024. Facing the revenue pressure brought about by industry fluctuations, the Group moderately tightened its investment in research and development in accordance with the needs of strategic adjustment, while focusing on product process optimization projects including self-made equipment, large furnace technology, and ultra-high transparency glass, in order to maintain its core competitiveness.

Finance costs

The finance costs of the Group for the year ended 31 December 2025 amounted to RMB413.5 million, representing an increase of 1.47% from RMB407.5 million for the year ended 31 December 2024. The finance costs maintained stable overall, due to the optimization of the debt structure and expansion of multiple financing channels by the Group.

The interest rate of bank loans ranged from 1.65% to 5.74% in 2025, as compared to the interest rate ranging from 1.60% to 5.98% for the financial year ended 31 December 2024.

Income tax

The income tax of the Group for the year ended 31 December 2025 amounted to RMB87.6 million, representing a decrease of 22.06% from RMB112.4 million for the year ended 31 December 2024. The actual tax rate decreased from 9.96% for the year ended 31 December 2024 to 8.11% for the year ended 31 December 2025, mainly due to the decrease in total profit resulting from the decrease in revenue of PV glass.

Capital expenditures

For the year ended 31 December 2025, the total capital expenditures of the Group amounted to approximately RMB2,879.5 million (for the year ended 31 December 2024: RMB4,886.0 million), involving the purchase of fixed assets, construction in progress and intangible assets, which mainly included the projects of phase IV of the Anhui production base, Nantong production base and solar energy production base.

Assets and equity

The total assets of the Group decreased to RMB42,384.4 million as at 31 December 2025 from RMB 42,919.8 million as at 31 December 2024. Shareholders' equity increased to RMB22,611.5 million as at 31 December 2025 from RMB21,784.2 million as at 31 December 2024.

Financial resources and liquidity

During the reporting period, the Group increased its bank borrowing by RMB5,276.2 million and repaid debts of RMB5,989.3 million. For the year ended 31 December 2025, the Group's financial liquidity and financial performance remained in a satisfactory condition. For the year ended 31 December 2025, the Group's main sources of funding included cash from operating activities and credit financing provided by banks.

EBITDA and net profit

For the year ended 31 December 2025, EBITDA (earnings before interests, taxes, depreciation and amortization) of the Group amounted to RMB3,562.4 million, decreased by RMB62.6 million as compared to RMB3,625.0 million for the year ended 31 December 2024. For the year ended 31 December 2025, the EBITDA margin of the Group was 22.88%, and the EBITDA margin was 19.40% for the same period in 2024.

As a result of the foregoing, the net profit decreased by RMB23.5 million, or 2.31%, from RMB1,016.1 million for the year ended 31 December 2024 to RMB992.6 million for the year ended 31 December 2025.

Gearing ratio

As at 31 December 2025, the gearing ratio of the Group (gearing ratio equals total debt divided by total assets as of the end of the year or period multiplied by 100%) Total debt (including all interest-bearing bank and other loans) was 46.65%, decreased by 2.59 percentage points as compared to 49.24% as at 31 December 2024.

Bank loans

As at 31 December 2025, the bank loans of the Group amounted to RMB9,668.9 million, decreased by RMB 665.0 million or 6.44% as compared to approximately RMB10,333.9 million as at 31 December 2024, mainly due to the repayment of part of loans for medium and long term projects. As at 31 December 2025, 5.59% of the Company's bank loans were fixed-rate borrowings, and 94.41% were variable-rate borrowings, and the interest rates ranged from 2.10% to 5.29% per annum.

As at 31 December 2025, the total carrying amount of fixed assets, construction in progress, and intangible assets of the Group amounted to RMB4,184.71 million, which were pledged to banks to obtain credit facilities.

Financing and financial policies

The Group implements sound financing and financial policies with the objective of minimizing the Group's financial risks while maintaining a good financial performance and reasonable financial costs. The Group regularly reviews the financing needs to ensure that there are sufficient financial resources to support the Group's operations and future investment and expansion plans when necessary.

Credit risk and foreign exchange risk

Most of the Group's revenues and expenses are paid in RMB, while some of the Group's sales, procurement and financial liabilities are denominated in US dollars, Euros, Hong Kong dollars and Vietnam dong. Most of the Group's bank deposits are deposited in RMB and US dollars, while bank loans of the Group were in RMB and United States dollars.

During the year ended 31 December 2025, the Group entered into certain forward contracts of currency structure to reduce foreign exchange risks. The Group will pay close attention to the continuous changes in exchange rate and will consider other hedging arrangements.

Employee and remuneration policy

As at 31 December 2025, the Group employed a total of 7,366 employees and most of them were based in the PRC, with a total employee remuneration amounted to RMB874.1 million, representing 5.62% of the Group's total revenue.

The Group maintains a good relationship with its employees and provides trainings to its employees. New joiners must attend mandatory in-house training. Furthermore, employees may attend external trainings such as trainings for manufacturing management, quality control management and human resources management. Remuneration of employees is reviewed periodically by reference to the market rate. After considering performance of the Group and job performance of specific employees, the Group may pay them discretionary bonus.

The Group makes contributions for its employees in relation to the mandatory social security funds including pension, work-related injury insurance, maternity insurance, medical and unemployment insurance and housing provident fund contributions in the PRC.

For details of the restricted A share incentive scheme adopted by the Group on 29 June 2020 and the A share option scheme adopted by the Group on 18 November 2021, please refer to the section headed "Management Discussion and Analysis" in this annual report.

The Company implements an allowance system for independent directors, which is paid annually. The amount of the allowance is determined by the shareholders' general meeting of the Company. Reasonable expenses such as transportation and accommodation incurred by independent directors in the performance of their duties in accordance with the relevant provisions of the Company Law and the Articles of Association of the Company (such as attending meetings of the Board of Directors and shareholders' general meetings) shall be borne by the Company.

The Company does not pay allowances to external directors. Reasonable expenses such as transportation and accommodation incurred by external directors in the performance of their duties in accordance with the relevant provisions of the Company Law and the Articles of Association of the Company (such as attending meetings of the Board of Directors and shareholders' general meetings) shall be borne by the Company.

The Company does not separately pay allowances to internal directors. Internal directors of the Company receive corresponding position-based remuneration according to their specific positions held in the Company. Subject to the approval of the shareholders' general meeting, the Company may separately pay director position allowances to internal directors.

CAPITAL STRUCTURE

As at 31 December 2024, the total number of shares of the Group was 2,342,880,233 shares, of which 1,901,165,233 were A shares and 441,715,000 were H shares. There were 13,308,421 treasury Shares of A shares and no treasury Shares of H shares.

DIVIDEND

For the year ended 31 December 2025, in order to share the achievement of the Group in 2025 with all our shareholders, the Board has recommended a final dividend of RMB0.15 per share (before tax), subject to shareholders' approval at the annual general meeting.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group had no material contingent liabilities.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL AND FUTURE PLANS

As at 31 December 2025, save as disclosed in this annual report, the Group had no material investments, material acquisitions and other disposals of subsidiaries and associates nor was there any other plans for material investments and capital assets.

TAXATION

Holders of A shares

In accordance with the Notice of the Ministry of Finance, the State Administration of Taxation and the CSRC on Implementing Differentiated Individual Income Tax Policy for Stock Dividends of Listed Companies (Cai Shui [2015] No. 101) (《財政部、國家税務總局、中國證監會關於上市公司股息紅利差別化個人所得税政策有關問題的通知》(財税[2015]101號)), for shares of listed companies acquired by individuals from public offerings or transfer of shares in the market, where the holding period exceeds one year, the dividends shall be temporarily exempted from individual income tax; where the holding period is less than one month (inclusive), the full amount of dividends shall be counted as taxable income and where the holding period is more than one month and less than one year (inclusive), 50% of the dividends shall be counted as taxable income on a provisional basis. The individual income tax rate of 20% shall be applicable for all incomes mentioned above. For dividends distributed by listed companies, where the period of individual shareholding is within one year (inclusive), the listed companies shall not withhold the individual income tax temporarily. The tax payable, subject to individual transfer of shares, shall be calculated by China Securities Depository and Clearing Corporation Limited in accordance with duration of its holding period. Custodian of shares including securities companies will withhold the amount from individual accounts and transfer the tax to China Securities Depository and Clearing Corporation Limited. China Securities Depository and Clearing Corporation Limited shall transfer the tax to the listed companies within 5 working days of the next month, and the listed companies shall declare the tax to the competent tax authorities upon receiving the tax amount within the statutory reporting period in that month.

Resident enterprise shareholders of A shares shall report and pay for the enterprise income tax of dividends by themselves.

For the shareholders who are Qualified Foreign Institutional Investor (QFII), the listed companies shall withhold and pay enterprise income tax at a rate of 10% pursuant to the requirements of the Notice of the State Administration of Taxation Concerning the Relevant Questions on the Withholding and Payment of Enterprise Income Tax Relating to the Payment of Dividends, Bonus and Interest by PRC Resident Enterprises to QFII (Guo Shui Han [2009] No. 47) (《國家税務總局關於中國居民企業向QFII支付股息、紅利、利息代扣代繳企業所得税有關問題的通知》(國税函2009[47]號)). QFII shareholders entitled to preferential tax treatment under tax treaties (arrangements) shall apply to the competent taxation authority for tax rebates according to the relevant rules and regulations after they receive the dividends, and tax rebates will be executed under tax treaties upon verification carried out by competent tax authorities.

For non-resident enterprise shareholders of A shares except the above-mentioned QFII, listed companies shall withhold and pay enterprise income tax at a rate of 10% pursuant to the requirements of the Tentative Measures for Administration of Withholding at the Source of Income Tax of Non-resident Enterprises (Guo Shui Fa [2009] No. 3) (《非居民企業所得税源泉扣繳管理暫行辦法》(國税發[2009]3號)) and the Response of the State Administration of Taxation Concerning Questions on Enterprise Income Tax over Dividend of B-Shares and Other Shares Received by Non-resident Enterprises (Guo Shui Han [2009] No. 394) (《國家税務總局關於非居民企業取得B股等股票股息徵收企業所得税問題的批覆》(國税函[2009]394號)). Non-resident enterprise shareholders entitled to preferential tax treatment shall make registration in accordance with the relevant provisions of the tax treaties.

Pursuant to the requirements of the Notice of the Ministry of Finance, the State Administration of Taxation and the CSRC on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《財政部、國家税務總局、中國證監會關於滬港股票市場交易互聯互通機制試點有關税收政策的通知》(財税[2014]81號)), listed companies shall withhold an income tax at the rate of 10% on dividends from the A shares of the company invested by Hong Kong investors (including enterprises and individuals) through the Shanghai Stock Exchange, and apply for withholding via the competent tax authorities (before the Hong Kong Securities Clearing Company Limited is able to provide details such as investor identities and holding periods to China Securities Depository and Clearing Corporation Limited, the policy of differentiated rates of taxation based on holding periods will temporarily not be implemented). For investors who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authority of the listed company for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authority, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

Pursuant to the requirements of the Notice of the Ministry of Finance, the State Administration of Taxation and the CSRC on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《財政部、國家税務總局、中國證監會關於深港股票市場交易互聯互通機制試點有關税收政策的通知》(財税[2016]127號)), listed companies shall withhold an income tax at the rate of 10% on dividends from the A shares of the company invested by Hong Kong investors (including enterprises and individuals) through the Shenzhen Stock Exchange, and apply for withholding via the competent tax authorities (before the Hong Kong Securities Clearing Company Limited is able to provide details such as investor identities and holding periods to China Securities Depository and Clearing Corporation Limited, the policy of differentiated rates of taxation based on holding periods will temporarily not be implemented). For investors who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authority of the listed company for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authority, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

Holders of H shares

In accordance with the requirements of the Circular on Certain Issues Concerning the Policies of Individual Income Tax (Cai Shui Zi [1994] No. 020) (《關於個人所得税若干政策問題的通知》(財税字[1994]020號)) promulgated by the Ministry of Finance and the State Administration of Taxation on 13 May 1994, overseas individuals are, as an interim measure, exempted from the PRC individual income tax for dividends or bonuses received from foreign-invested enterprises.

Pursuant to the requirements of the Notice of the State Administration of Taxation on Matters Concerning Withholding Enterprise Income Tax When China Resident Enterprises Distribute Dividends to Foreign Non-resident Enterprise Shareholders of H Shares (Guo Shui Han [2008] No. 897) (《國家税務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》(國税函[2008]897號)), distributing dividends to foreign non-resident enterprise shareholders of H shares for 2008 and for the years onwards shall be subject to the enterprise income tax withheld at a uniform rate of 10%. Upon receipt of such dividends, an overseas non-resident enterprise shareholder may apply to the competent tax authorities for relevant treatment under the tax treaties (arrangements) in person or through a proxy or a withholding agent and provide evidence in support of its status as a beneficial owner as defined in the tax treaties (arrangements). Upon verification by the competent tax authorities, the difference between the tax levied and the amount of tax payable as calculated at the tax rate under the tax treaties (arrangements) will be refunded.

According to the requirements of the Notice on the Tax Policies Concerning the Pilot Program of the Shanghai Hong Kong Stock Connect published by the Ministry of Finance, the State Administration of Taxation and the CSRC (Cai Shui [2014] No. 81) (《財政部、國家税務總局、中國證監會關於滬港股票市場交易互聯互通機制試點有關税收政策的通知》(財税[2014]81號)), H-share companies shall withhold an individual income tax at the rate of 20% on dividends from the H shares of the company invested by mainland individual investors on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect. For dividends of the shares listed on the Hong Kong Stock Exchange received by mainland securities investment funds from investment through the Shanghai-Hong Kong Stock Connect, individual income tax shall be calculated in accordance with the above requirements. For dividends of the shares listed on the Hong Kong Stock Exchange received by mainland enterprise investors from investment through the Shanghai-Hong Kong Stock Connect, H-share companies shall not withhold income tax of dividends, and mainland enterprise investors shall report and pay the tax amount by themselves. In particular, the dividends received by resident enterprises in mainland which hold H shares for at least 12 consecutive months shall be exempted from enterprise income tax according to law.

According to the requirements of the Notice on the Tax Policies Concerning the Pilot Program of the Shenzhen Hong Kong Stock Connect published by the Ministry of Finance, the State Administration of Taxation and the CSRC (Cai Shui [2016] No. 127) (《財政部、國家税務總局、中國證監會關於深港股票市場交易互聯互通機制試點有關税收政策的通知》(財税[2016]127號)), H-share companies shall withhold an individual income tax at the rate of 20% on dividends from the H shares of the company invested by mainland individual investors on the Hong Kong Stock Exchange through the Shenzhen-Hong Kong Stock Connect. For dividends of the shares listed on the Hong Kong Stock Exchange received by mainland securities investment funds from investment through the Shenzhen-Hong Kong Stock Connect, individual income tax shall be calculated in accordance with the above requirements. For dividends of the shares listed on the Hong Kong Stock Exchange received by mainland enterprise investors from investment through the Shenzhen-Hong Kong Stock Connect, H-share companies shall not withhold income tax of dividends, and mainland enterprise investors shall report and pay the tax amount by themselves. In particular, the dividends received by resident enterprises in mainland which hold H shares for at least 12 consecutive months could be exempted from enterprise income tax according to law.

The shareholders of the Company shall pay the relevant tax and/or are entitled to tax reliefs in accordance with the above requirements.

Biographies of Directors, Supervisors and Senior Management

EXECUTIVE DIRECTORS

Mr. Ruan Hongliang (阮洪良先生) (Mr. Ruan), aged 64, is a founder of the Group and a de facto controller of the Company. Mr. Ruan is currently an executive director of the Company and the chairman of the Board, mainly responsible for the development of overall corporate strategies, business management and operation of the Group. Mr. Ruan is a member of the remuneration committee and the nomination committee, and also the chairman of strategic development committee and risk management committee of the Company. Mr. Ruan graduated from Dongbei University of Finance and Economics* (東北財經大學) in January 2022 majoring in business administration.

Mr. Ruan has over 40 years' experience in glass industry. Mr. Ruan is currently a director of a majority of subsidiaries of the Company. Apart from the Company, Mr. Ruan has served as a director of Jiaxing Xiuzhou District Lianhui Venture Capital Co., Ltd.* (嘉興市秀洲區聯會創業投資有限公司) since June 2009, a director of Fengyang Petro China Kunlun Gas Co., Ltd.* (鳳陽中石油昆侖燃氣有限公司) since April 2020.

Mr. Ruan is the spouse of Ms. Jiang Jinhua, an executive director, father of Ms. Ruan Zeyun, an executive director, the president and the company secretary of the Company and father-in-law of Mr. Zhao Xiaofei, an executive deputy president of the Company.

Ms. Jiang Jinhua (姜瑾華女士) (Ms. Jiang), aged 64. Ms. Jiang is the co-founder and de facto controller of the Company. Ms. Jiang has over 32 years' experience in glass industry. Ms. Jiang is currently an executive director of the Company and the vice chairman of the Board, mainly responsible for assisting Mr. Ruan to fulfill his duties as the chairman of the Board. Ms. Jiang is a member of the risk management committee of the Company. Ms. Jiang graduated from Arizona State University in the United States in May 2013 with a master degree in business management. Ms. Jiang has also served as the general manager of industries at the headquarters since January 2022. Apart from the Company, Ms. Jiang has served as a director of Shanghai Jianghehui New Material Technology Co., Ltd.* (上海姜禾匯新材料科技有限公司) since April 2025 and a director of Fubote (Zhejiang) New Material Technology Co., Ltd.* (福博特(浙江)新材料科技有限公司) since May 2025.

Ms. Jiang is the spouse of Mr. Ruan, an executive director, mother of Ms. Ruan Zeyun, an executive director, the president and the company secretary of the Company and mother-in-law of Mr. Zhao Xiaofei, an executive deputy president of the Company.

Ms. Ruan Zeyun (阮澤雲女士) (Ms. Ruan), aged 39, joined the Group in October 2009, is one of the de facto controller of the Company. Ms. Ruan is currently an executive director, the president and company secretary of the Company, mainly responsible for the operation of overall corporate business of the Group and daily affairs of the Board. Ms. Ruan is a member of the strategic development committee of the Company. Ms. Ruan graduated from Sheffield University in England in September 2009 with a master degree in management. Apart from the Company, Ms. Ruan has served as a director of Jiaxing Yihe Investment Co., Ltd.* (嘉興義和投資有限公司) since June 2016, a director of Jiaxing Kaihong Flat Supply Chain Management Co., Ltd.* (嘉興凱鴻福萊特供應鏈管理有限公司) since January 2020 and a director of its wholly-owned subsidiary Kaihong Flat Logistics (Vietnam) Co., Ltd.* (凱鴻福萊特物流(越南)有限公司) since November 2021, a non-executive director of Jiaxing Gas Group Co., Ltd* (嘉興市燃氣集團股份有限公司) since June 2023, a director of Nantong Yihe Hanyang New Material Co., Ltd. * (南通義和瀚洋新材料有限公司) since December 2025.

Ms. Ruan is the spouse of Mr. Zhao, an executive deputy president, and the daughter of Mr. Ruan, an executive director, and Ms. Jiang, an executive director.

Mr. Wei Yezhong (魏葉忠先生) (Mr. Wei), aged 54, is a co-founder of the Group and has over 30 years' experience in glass industry. Mr. Wei is currently an executive director and a deputy president of the Company, mainly responsible for the business and operations of Flat Photoenergy Co., Ltd.. Mr. Wei held various positions of the Group from 1998 when he joined the Group to 2025. Mr. Wei has also been a deputy general manager of R&D center and a general manager of Flat Photoenergy Co., Ltd since January 2026.

Mr. Shen Qifu (沈其甫先生) (Mr. Shen), aged 59, joined the Group in September 1999 and is currently an executive director of the Company, mainly responsible for assisting in the management of the business and operation of the industrial park of the headquarters. Mr. Shen has over 23 years' experience in glass industry. Mr. Shen held various positions of the Group from 1999 when he joined the Group to 2025. He has been a deputy general manager of the industrial park of the headquarters of the Company since January 2022. Mr. Shen graduated from Shanghai University of Engineering Science* (上海工程技術大學) in Shanghai, the PRC, in January 1987, majoring in machinery manufacturing and equipment.

EMPLOYEE DIRECTOR

Ms. Niu Liping (鈕麗萍女士) (Ms. Niu), aged 40, joined the Group in October 2003. Ms. Niu was appointed as a staff representative supervisor of the Company on 23 September 2019. Ms. Niu has also been the chairman of the trade union of the Company since December 2009. Ms. Niu graduated from Northwestern Polytechnical University* (西北工業大學) majoring in accounting. Ms. Niu held various positions of the Group when she joined the Group. She has been the head of treasury of the finance management department under the financial center of the Company since 2020.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Xu Pan (徐攀女士) (Ms. Xu), aged 38, joined the Group in May 2021, is currently an independent non-executive director of the Company, chairman of the audit committee, remuneration committee and nomination committee, and also a member of the strategic development committee. Ms. Xu obtained a doctor's degree in accounting from Nanjing University in September 2019. She is now an associate professor of the accounting department of the school of management of Zhejiang University of Technology* (浙江工業大學). Ms. Xu obtained the qualification of Certified Internal Auditor (CIA) in 2011. Ms. Xu obtained the qualification of non-practicing member of the Chinese Institute of Certified Public Accountants (CICPA) in 2015.

Apart from the Group, Ms. Xu has been an independent director of Zhejiang Jingxin Pharmaceutical Co., Ltd.* (浙江京新藥業股份有限公司) since October 2022, a director of Hangzhou Municipal Government Official Vehicle Service Co., Ltd. since July 2023 and an independent director of Xinfengming Group Co., Ltd.* (新鳳鳴集團股份有限公司) since September 2023.

Ms. Du Jian (杜健女士) (Ms. Du), aged 48, joined the Group in November 2024, is currently an independent non-executive director of the Company, a member of the audit committee, remuneration committee, nomination committee and risk management committee. Ms. Du obtained a doctor's degree in Management Science and Engineering in December 2005. Currently, she is a professor in the Department of Innovation, Entrepreneurship and Strategy of Zhejiang University.

Apart from the Group, Ms. Du has been an independent director of Hangzhou Onechance Tech Corp* (杭州壹網壹創科技股份有限公司) from May 2020 to September 2025 and an independent director of Gansu Shangfeng Cement Co., Ltd.* (甘肅上峰水泥股份有限公司) since May 2025.

Ms. Ng Yau Kuen Carmen (吳幼娟女士) (Ms. Ng), aged 50, joined the Group in May 2021 and is currently an independent non-executive director of the Company, and a member of the audit committee. Ms. Ng holds a bachelor's degree of business administration from the Chinese University of Hong Kong* (香港中文大學) , a master's degree of business administration from the Hong Kong University of Science and Technology* (香港科技大學) and a master's degree of laws in corporate and financial law from the University of Hong Kong* (香港大學).

Apart from the Group, Ms. Ng has been an independent non-executive director of Get Nice Financial Group Limited from March 2016 to March 2025. Ms. Ng has been the person-in-charge of Cypress Certified Public Accountants since 2013, and a director of Cypress Advisory & Consulting Limited since 2013.

SUPERVISORS

The biographical details of the Company's supervisors during FY2025 are as follows. All of them ceased to be supervisors of the Company on 9 December 2025.

Mr. Zheng Wenrong (鄭文榮先生) (Mr. Zheng), aged 62, a co-founder of the Group, was the chairman of the board of supervisors of the Company as at 9 December 2025. Mr. Zheng has over 26 years' experience in glass industry. Mr. Zheng held various positions of the Group from 1998 when he joined the Group to 2025.

Mr. Shen Fuquan (沈福泉先生) (Mr. Shen), aged 66, a co-founder of the Group, was a supervisor of the Company as at 9 December 2025. Mr. Shen has over 25 years' experience in glass industry. Mr. Shen held various positions of the Group from 1998 when he joined the Group to 2025.

Mr. Zhu Quanming (祝全明先生) (Mr. Zhu), aged 72, a co-founder of the Group, was a supervisor of the Company as at 9 December 2025. Mr. Zhu has over 26 years' experience in glass industry. Mr. Zhu held various positions of the Group from 1998 when he joined the Group to 2025.

Ms. Zhang Huizhen (張惠珍女士) (Ms. Zhang), aged 51, joined the Group in February 2006. Ms. Zhang was appointed as the staff representative supervisor of the Company on 23 September 2019. Ms. Zhang held various positions of the Group from 2006 when she joined the Group to 2025. She has been the deputy general manager of high-performance glass division of the industrial park of the headquarters since January 2026. Ms. Zhang graduated from Northwestern Polytechnical University* (西北工業大學) majoring in business administration.

Ms. Niu Liping (鈕麗萍女士) (Ms. Niu), aged 40, joined the Group in October 2003. Ms. Niu was appointed as a staff representative supervisor of the Company on 23 September 2019. Ms. Niu has also been the chairman of the trade union of the Company since December 2009. Ms. Niu graduated from Northwestern Polytechnical University* (西北工業大學) majoring in accounting. Ms. Niu held various positions of the Group when she joined the Group. She has been the head of treasury of the finance management department under the financial center of the Company since 2020.

SENIOR MANAGEMENT

Mr. Zhao Xiaofei (趙曉非先生) (Mr. Zhao), aged 41, joined the Group in May 2011 and is currently an executive deputy president of the Company, mainly responsible for the management of the business and operation of the Group's PV glass business department. Mr. Zhao is also one of the de facto controller of the Company. Mr. Zhao held various positions of the Group from 2011 when he joined the Group to 2025. He has been the general manager of the PV business department of the Company since January 2016. Apart from the Company, Mr. Zhao has been the supervisor of Fengyang Petro China Kunlun Gas Co., Ltd.* (鳳陽中石油崑崙燃氣有限公司) since April 2022. Mr. Zhao graduated from the University of Northern Virginia in the United States in December 2007 majoring in business administration.

Mr. Zhao is the spouse of Ms. Ruan Zeyun and son-in-law of Mr. Ruan, an executive director, and Ms. Jiang, an executive director.

Mr. Wei Zhiming (韋志明先生) (Mr. Wei), aged 57, joined the Group in August 2006 and is currently a deputy president of the Company, mainly responsible for development plan of the Group. Mr. Wei has over 33 years' experience in glass industry. Mr. Wei held various positions of the Group from 2006 when he joined the Group to 2025. He has been the deputy general manager of the development planning center since January 2024. Mr. Wei graduated from Hangzhou University* (杭州大學) in Hangzhou, Zhejiang, the PRC, in July 1991 with a bachelor degree in chemistry.

Mr. Zhao Changhai (趙長海先生), aged 51, is currently a deputy president of the Company, mainly responsible for the management of the business and operation of Flat (Nantong) production base. Mr. Zhao Changhai graduated from East China University of Science and Technology* (華東理工大學) in July 2000, majoring in inorganic materials. Mr. Zhao Changhai is currently the general manager of Flat (Nantong) Solar Glass Co., Ltd* (福萊特(南通)光伏玻璃有限公司).

Mr. Jiang Weijie (蔣緯界先生) (Mr. Jiang), aged 39, joined the Group in May 2017, is currently the financial officer of the Company. Mr. Jiang has been holding various positions in the financial department since he joined the Group in 2017. Apart from the Company, Mr. Jiang has been the supervisor of Jiashan Yicheng Trading Co., Ltd.* (嘉善熠成貿易有限公司) since January 2020. Mr. Jiang graduated from the University of Nottingham* (諾丁漢大學) with a master degree in Supply Chain and Operations Management in 2011.

Ms. Cheng Yuan (成媛女士) (Ms. Cheng), aged 35, joined the Group in October 2016. Ms. Cheng graduated from Tianjin Normal University* (天津師範大學) in June 2016 with a master's degree in Foreign Linguistics and Applied Linguistics. Ms. Cheng has been holding various positions in the Group since she joined the Group in 2016. She has been the Secretary of the Board since March 2023 and is mainly responsible for the daily affairs of the Board.

COMPANY SECRETARY

Ms. Ruan Zeyun (阮澤雲女士) (Ms. Ruan), aged 39, joined the Group in October 2009. Ms. Ruan was appointed as a joint company secretary on 1 April 2015 and became a sole company secretary since 1 March 2019, mainly responsible for the daily affairs of the Board. Please refer to "Executive Directors" above for details of the biography of Ms. Ruan.

For details of the interest in the shares and underlying shares of the Company held by the directors and senior management above, which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO, please refer to the Corporate Governance Report section of this report.

Corporate Governance Report

The Board recognizes the importance of good corporate governance in the management structure and internal control procedures of the Group for the purpose of ensuring that all business activities of the Group and the decision-making process are properly regulated and are in full compliance with the applicable laws and regulations.

In the opinion of the directors, the Company had complied with the code provisions in the Corporate Governance Code ("CG Code") as set forth in Appendix C1 effective until 30 June 2025, to the Listing Rules on the Hong Kong Stock Exchange since 1 January 2025 up to and including 31 December 2025. The amendments to the CG Code effective 1 July 2025 will apply to the corporate governance reports and annual report of the Company for the financial years commencing on or after 1 July 2025. The principles and code provisions set out in this announcement refer to the CG Code prior to the revision, not the revised CG Code.

BOARD OF DIRECTORS

The Board currently comprises five executive directors, one employee director and three independent non-executive directors. Biographical details of the directors are set forth on pages 24 to 26 of this annual report.

The directors during the year ended 31 December 2025 were:

Executive Directors

Mr. Ruan Hongliang
Ms. Jiang Jinhua
Ms. Ruan Zeyun
Mr. Wei Yezhong
Mr. Shen Qifu

Employee Director

Ms. Niu Liping (appointed on 9 December 2025)

Independent Non-executive Directors

Ms. Xu Pan
Ms. Ng Yau Kuen Carmen
Ms. Du Jian

Mr. Ruan Hongliang, an executive director and chairman of the Board, is the spouse of Ms. Jiang Jinhua, an executive director.

Ms. Ruan Zeyun, an executive director, president and the company secretary of the Company, is the daughter of Mr. Ruan Hongliang and Ms. Jiang Jinhua. Mr. Zhao Xiaofei, an executive deputy president of the Company, is the spouse of Ms. Ruan Zeyun and the son-in-law of Mr. Ruan Hongliang and Ms. Jiang Jinhua. Other than that, there is no relationship among members of the Board in respect of financial, business or other material relationship.

Ms. Niu Liping, who was appointed as an employee director on 9 December 2025, has obtained the legal advice referred to under Rule 3.09D of the Listing Rules as regards the requirements under the Listing Rules that are applicable to her as a Director and the possible consequences of making a false declaration or giving false information to the Stock Exchange on 27 November 2025 and, she has confirmed that she understood her obligations as a Director.

The Board is responsible for the formulation of the overall strategies and objectives of the Group, monitoring and evaluating operating and financial performance, reviewing the corporate governance measures and supervising of the overall management of the Group. The Board is also responsible for developing, reviewing and monitoring policies and practices on corporate governance and legal and regulatory compliance of the Group, and the training and continuous professional development of directors and senior management. The senior management of the Group is responsible for the implementation of business strategies and day-to-day operations of the Group under the leadership of the chairman of the Group. The directors have full access to all the information of the Group in relation to business operations and financial performance of the Group. Senior management of the Group also reports to the directors from time to time regarding the business operations of the Group. Independent professional advice can be sought to assist the relevant directors to discharge their duties at the Group's expense upon their request. Throughout the year ended 31 December 2025, all directors are provided with monthly updates on the Company's performance and financial position to enable the Board as a whole and each director to discharge their duties.

Meetings and Directors Attendance Record

The Board meets regularly either in person or through electronic means of communication to discuss the overall strategy as well as the operation and financial performance of the Group. The number of the Board meetings and general meetings held and the attendance of each director at these meetings for the year ended 31 December 2025 have been set out as follows:

No. of attendance/No. of meetings

	Board meetings	Audit Committee meetings	Remuneration Committee meetings	Nomination Committee meetings	Strategic Development Committee meetings	Risk Management Committee meetings	General meetings
Executive Directors							
Mr. Ruan Hongliang	11/11	N/A	4/4	1/1	1/1	1/1	2/2
Ms. Jiang Jinhua	11/11	N/A	N/A	N/A	N/A	1/1	2/2
Ms. Ruan Zeyun	11/11	N/A	N/A	N/A	1/1	N/A	2/2
Mr. Wei Yezhong	11/11	N/A	N/A	N/A	N/A	N/A	2/2
Mr. Shen Qifu	11/11	N/A	N/A	N/A	N/A	N/A	2/2
Employee Director							
Ms. Niu Liping	3/11	N/A	N/A	N/A	N/A	N/A	0/2
Independent Non-executive Directors							
Ms. Xu Pan	11/11	7/7	4/4	1/1	1/1	N/A	2/2
Ms. Ng Yau Kuen Carmen	11/11	7/7	N/A	N/A	N/A	N/A	2/2
Ms. Du Jian	11/11	7/7	4/4	1/1	N/A	1/1	2/2

DIRECTORS' CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT

All directors are aware of their responsibilities to the shareholders of the Company and have exercised their duties with care, skill and diligence, in pursuit of the development of the Group. Every newly appointed Director receives an induction to ensure that he has a proper understanding of the business and operations of the Group and that he is fully aware of his duties and responsibilities as a director under applicable rules and requirements.

Throughout the year ended 31 December 2025, briefings and updates on the latest development regarding the Listing Rules and other applicable regulatory requirements in relation to continuous responsibilities of a Hong Kong listed company and its directors and other relative compliance issues were provided and notified to each of the directors during Board meetings to ensure compliance and enhance their awareness of good corporate governance practices.

During the year ended 31 December 2025, the following existing directors have participated in continuous professional development by attending briefings and updates, seminars, training, or reading materials on the following topics to develop and refresh their knowledge and skills:

	Corporate governance	Regulatory updates	Finance and accounting	Industry updates
Executive Directors				
Mr. Ruan Hongliang	✔	✔	✔	✔
Ms. Jiang Jinhua	✔	✔	✔	✔
Ms. Ruan Zeyun	✔	✔	✔	✔
Mr. Wei Yezhong		✔		✔
Mr. Shen Fuquan		✔		✔
Employee Director				
Ms. Niu Liping			✔	✔
Independent Non-Executive Directors				
Ms. Xu Pan	✔	✔	✔	
Ms. Ng Yau Kuen Carmen		✔	✔	
Ms. Du Jian		✔	✔	

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Independent non-executive directors have played a significant role in the Board by bringing their independent judgment at Board meetings and scrutinizing the Group's performance. Their views carry significant weight in the Board's decisions. In particular, they bring an impartial view to bear on issues of the Group's strategy, performance and control. All independent non-executive directors possess extensive academic, professional and industry expertise and management experience and have provided their professional advice to the Board. The independent non-executive directors provide independent advice on the Group's business strategy, results and management so that all interests of shareholders can be taken into account, and the interests of the Company and its shareholders can be protected.

The Board has three independent non-executive directors. The Company has received, from each of the independent non-executive directors, an annual confirmation of their independence and considers that all of the independent non-executive directors are independent of the Company.

BOARD PROCEEDINGS

In accordance with code provisions A.1.1 and A.1.3 of the CG Code, the Board shall hold at least four Board meetings each year, and a notice of at least 14 days shall be given for a regular Board meeting. Since 1 January 2025 up to and including 31 December 2025, 4 regular Board meetings have been held with notices of at least 14 days having been given to the directors in compliance with the relevant code provision.

The quorum for a Board meeting is at least half of the total number of the directors (including directors attending the meeting on behalf of others) being present at the meeting. A director may attend the Board meeting in person, or appoint another director in writing as his proxy to attend the Board meeting.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

During FY2025, the Company appointed 1 employee director, and the members of the seventh session of the Board of the Company adjusted from the original 8 directors to 9 directors accordingly. The added 1 employee director was elected through the employees' representative congress of the Company, so as to protect the rights of employees to participate in decision-making, and to safeguard the interests of employees. On 9 December 2025, employees' representative congress of the Company elected to appoint Ms. Niu Liping as the employee director of the Company.

In accordance with the Articles of Association, a person may be appointed as a director either by the shareholders in general meeting or by the Board. Any directors appointed by the Board as additional Directors or to fill casual vacancies shall hold office until the next following general meeting, and are eligible for re-election by the shareholders. In addition, all directors are required to retire by rotation at least once every three years at the general meeting, and are eligible for re-election by the shareholders.

BOARD OF SUPERVISORS

The board of supervisors of the Company consists of five members. The employee representative supervisors, namely Ms. Niu Liping and Ms. Zhang Huizhen, were elected by employees as the staff representative supervisors of the 7th session of the supervisory committee of the Company. The other supervisors were elected by the shareholders in general meeting. The functions and duties of the board of supervisors include, but are not limited to: review the financial operations of the Company; supervise the performance of directors, general manager and senior executives of their duties to the Company; request directors, general manager and senior executives to rectify actions which are damaging to the Company's interests; examine financial information such as financial reports, business reports and profit distribution plans as proposed by the Board to the general meeting, and if there are any queries, to engage certified public accountants or practicing auditors to assist in the examination; propose the convening of extraordinary general meetings and motions at the general meetings; conduct investigation if there are any unusual circumstances in the Company's operations; and exercising other rights given to them under the Articles of Association.

In order to fully implement the latest legal and regulatory requirements and to ensure that the Company's governance remains aligned with regulations, further standardize the Company's operational mechanisms and enhance its governance standards, and in accordance with relevant laws and regulations including the Company Law of the People' s Republic of China (Revised in 2023) , the Guidelines for Articles of Association of Listed Companies and the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (Revised in April 2025), and in light of its actual circumstances, following the approval of the resolution on Proposed Amendments to AoA and cancellation of the Supervisory Committee by the Shareholders at the 2025 first extraordinary general meeting held on 9 December 2025, the Company cancelled the Board of Supervisors. The powers and functions of the Supervisory Committee will be assumed by the audit committee of the Board. The relevant internal rules of the Board of Supervisors, such as the Rules of Procedures of Meetings of the Supervisory Committee of Flat Glass Group Co., Ltd.(《福萊特玻璃集團股份有限公司監事會議事規則》), will be repealed accordingly. The provisions related to the Board of Supervisors and supervisors in the rules and regulations of the Company are no longer applicable.

Corporate Governance Report

CHANGES IN SENIOR MANAGEMENT

The Board of Directors received a resignation letter submitted by Mr. Zhao Changhai, vice president of the Company, in February 2026. Due to personal reasons, Mr. Zhao Changhai tendered his resignation as vice president of the Company. Following his resignation from the aforementioned position, Mr. Zhao Changhai will continue to be responsible for the production and management of photovoltaic glass at a subsidiary of the Company.

DIRECTORS', SUPERVISORS' AND OFFICERS' INSURANCE

The Company has taken out appropriate insurance coverage on directors', supervisors' and senior management's liabilities in respect of legal actions taken against the same arising out of corporate activities.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as the Company's code of conduct regarding securities transactions by the directors. Directors of the Company are reminded of their obligations under the Model Code on a regular basis. Following specific enquiries by the Company, all directors of the Company have confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2025.

On 5 February 2026, the Company was notified by Ms. Ruan Zeyun, an executive director of the Company, that she purchased a total of 3,000 A shares of the Company in the open market at a consideration of RMB17.08 per A share for an aggregate purchase amount of RMB51,240.00 (the "Transaction") without first having notified the Company prior to the Transaction in accordance with the requirements paragraph B.8 of Appendix C3 to the Listing Rules. The Transaction results from an operational error by Ms. Ruan when she mistakenly clicked the wrong button on her online securities account webpage. The Transaction fell within the period of 60 days immediately preceding the publication date of the annual results of the Company for the year ended 31 December 2025 (the "Black-out Period") and constituted a dealing of Company's shares by Ms. Ruan Zeyun and a non-compliance incident of paragraphs A.3 and B.8 of Appendix C3 to the Listing Rules (the "Non-compliance Incident"). Mr. Ruan confirms she did not possess any inside information of the Company when the Transaction took place.

The Company has adopted a series of internal control measures to ensure that its directors comply with Appendix C3 to the Listing Rules. The Board considers such measures adequate and effective, given that the Company has used its best endeavour to remind its directors of the applicable blackout periods. Following the Non-compliance Incident, Ms. Ruan has taken or will take certain remedial measures to ensure compliance with the Model Code in the future, including carefully reviewing the operational guides and instructions for her online securities account, revisiting and studying in depth the Model Code, and making arrangement to attend a training course relating to the Model Code in May 2026.

BOARD COMMITTEES

The Board has established the (i) audit committee (the "Audit Committee"); (ii) remuneration committee (the "Remuneration Committee"); (iii) nomination committee (the "Nomination Committee"); (iv) strategic development committee (the "Strategic Development Committee"); and (v) risk management committee (the "Risk Management Committee"), with defined terms of reference. The terms of reference of the Board committees, which explain their respective roles and the authority delegated to them by the Board are available on the websites of the Company and the Hong Kong Stock Exchange. The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice and other assistance in appropriate circumstances, at the Company's expense.

Audit Committee

The Audit Committee was established on 16 October 2015. Members of the Audit Committee comprised of Ms. Xu Pan, Ms. Du Jian and Ms. Ng Yau Kuen Carmen from 1 January 2025 to 31 December 2025, all of whom are independent non-executive directors. Ms. Xu Pan, who has appropriate professional qualification and experience in accounting matter, was the chairman of the Audit Committee. The Audit Committee primarily assists the Board to review the financial reporting process, evaluate the effectiveness of financial controls and oversee the auditing processes of the Group and relationship with external auditors of the Group.

During FY2025, the Audit Committee held seven meetings to review annual financial results and reports for the year ended 31 December 2024 and interim financial results and reports for the six months ended 30 June 2025. Matters reviewed during the meetings included significant matters on the financial reporting, operational and compliance controls, effectiveness of the risk management and internal control systems and internal audit function, scope of work and appointment of external auditors, related parties transactions and arrangements for employees to raise concerns about possible improprieties. The attendance records are set out under "Meetings and Directors Attendance Record" on page 29.

The Audit Committee is of the view that the preparation of the financial results of the Group for the year ended 31 December 2025 complied with the applicable accounting standards and requirements and that adequate disclosure had been made. The Audit Committee is also of the view that the internal control systems are effective and adequate based on its review.

Remuneration Committee

The Remuneration Committee was established on 16 October 2015. Members of the Remuneration Committee comprised of Ms. Xu Pan and Ms. Du Jian, independent non-executive Directors and Mr. Ruan Hongliang, an executive Director from 1 January 2025 to 31 December 2025. Ms. Xu Pan was the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee include preparing assessment codes and evaluating the senior management of the Group, determining and reviewing the terms of the remuneration packages of and determining the award of bonuses to Directors and senior management. No Director takes part in any discussion on his or her own remuneration.

During FY2025, the Remuneration Committee held four meetings to review, determine and make recommendation to the Board on the remuneration policy and structure of the Company, the remuneration packages of the executive Directors and senior management, assessing performance of executive Directors and other related matters. For matters relating to share schemes that were reviewed and/or approved by the Remuneration Committee during FY2025, please refer to the section headed "SHARE SCHEMES OF THE COMPANY" on pages 5 to 13 of this annual report. The attendance records are set out under "Meetings and Directors Attendance Record" on page 29 of this annual report.

Pursuant to code provision B1.5 of the CG Code, the remuneration of the members of the senior management (including executive Directors) by band for the year ended 31 December 2025 is set forth below:

In the band of	Number of Individuals
Below HK$500,000	2
HK$500,000 to HK$10,000,000,000	9

Note: The above amounts in Hong Kong dollars were illustrated by adoption of the exchange rate between RMB and Hong Kong dollar published by the State Administration of Foreign Exchange of the PRC on 31 December 2025.

Further particulars regarding Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix D2 to the Listing Rules are set out in Note (十)7 to the financial statements.

Nomination Committee

The Nomination Committee was established on 16 October 2015. Members of the Nomination Committee comprised of Mr. Ruan Hongliang, an executive Director, Ms. Xu Pan and Ms. Du Jian, independent non-executive Director from 1 January 2025 to 31 December 2025. The chairman of the Nomination Committee is Ms. Xu Pan, an independent non-executive Director.

The primary duties of the Nomination Committee include to: (i) review the structure, size and composition (including the skills, knowledge and experience) of the Board annually and make recommendations on any proposed changes to the Board to complement the corporate strategy; (ii) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; (iii) assess the independence of independent non-executive Directors; and (iv) make recommendations to the Board on the appointment or reappointment of Directors and succession planning for directors, in particular the Chairman of the Company.

The Nomination Committee provides consultation to the Board of Directors with respect to the nomination of directors. It will first consider and determine the candidates for nomination, then make recommendations to the Board of Directors. The Board of Directors will decide whether to propose such candidate to the general meeting for election. The Nomination Committee and the Board of Directors will mainly refer to the cultural and educational background, and professional experience when selecting candidates.

The Company has adopted the board diversity policy (the "Board Diversity Policy"), the purpose of which is to set out the basic principles to be followed to ensure that the Board has appropriate balance of skills, experience and diversity of perspectives necessary to enhance the effectiveness of the Board and to maintain high standards of corporate governance. Under the Board Diversity Policy, the selection of Board candidates shall be based on a range of diversity perspectives with reference to the Company's business model and specific needs, including but not limited to, gender, age, cultural background, educational background, and professional experience, which are the measurable objectives for implementing the Board Diversity Policy. The Nomination Committee is also responsible for reviewing the Board Diversity Policy, developing and reviewing measurable objectives for implementing the policy and monitoring the progress on achieving these measurable objectives. The review of the Board Diversity Policy and the measurable objectives shall be carried out at least annually to ensure the continued effectiveness of the Board.

Having reviewed the Board composition, the Nomination Committee (and the Board) recognises the importance and benefits of gender diversity at the Board level. With six out of nine Directors as female Directors, the Board is of the view that gender diversity has been achieved. In consideration of relatively balanced Board diversity from the perspective of gender, the Company shall remain the existing diversity among the Board members. Nomination Committee will continue to monitor, from time to time, the implementation of the policy, and reviews, as appropriate, the policy to ensure the effectiveness of the policy. The committee will also continue to give adequate consideration to these measurable objectives when making recommendations of candidates for appointment to the Board.

The Nomination Committee also has primary responsibility for identifying suitably qualified candidates to become members of the Board and shall give adequate consideration to the Board Diversity Policy in selection of Board candidates. Board nomination and appointments will continue to be made on merit basis based on the Group's business needs from time to time with adequate consideration of diversity of Board members.

During FY2025, the Nomination Committee held three meetings. For the details of members' attendance of the Nomination Committee meeting, please refer to page 29. The Nomination Committee also considered the Board Diversity Policy and whether the Board had the appropriate balance of skills, experience and diversity of perspectives necessary to enhance the effectiveness of the Board and to maintain high standards of corporate governance. After due consideration, the Nomination Committee has concluded that based on the Company's existing business model and specific needs, the current composition of the Board satisfies the Board Diversity Policy for the Reporting Period.

The Company has adopted a policy concerning the diversity of its workforce (including senior management). As at 31 December 2025, the Group had a total of 7,366 staff (including senior management), comprising of 5,471 male staff and 1,895 female staff. As such, the Group has achieved gender diversity in respect of its workforce (including senior management). The Group will continue to strive to enhance female representation and achieve and maintain an appropriate balance of gender diversity in its workforce in near future.

Strategic Development Committee

The Strategic Development Committee was established on 16 October 2015. Members of the Strategic Development Committee comprised of Mr. Ruan Hongliang, Ms. Ruan Zeyun, executive Directors and Ms. Xu Pan, an independent non-executive Director from 1 January 2025 to 31 December 2025. The chairman of the Strategic Development Committee is Mr. Ruan Hongliang, an executive Director. The primary duties of Strategic Development Committee are to study, advise on and review the Company's long-term development plans and strategies.

During FY2025, the Strategic Development Committee held one meeting to discuss the business strategies of the Group and the attendance records are set out under "Meetings and Directors Attendance Record" on page 29.

Risk Management Committee

The Risk Management Committee was established on 16 October 2015. Members of the Risk Management Committee comprised of Mr. Ruan Hongliang and Ms. Jiang Jinhua, executive Directors and Ms. Du Jian, an independent non-executive Director from 1 January 2025 to 31 December 2025. The chairman of the Risk Management Committee is Mr. Ruan Hongliang, an executive Director. The primary duties of the Risk Management Committee are to review the Group's business operations, especially on overseas and export business to supervise and control the Group's sanctums-related risks and to monitor and review the Group's risk management and internal control systems and formulate our Group's risk management strategies.

During FY2025, the Risk Management Committee held one meeting to discuss the risk associated with overseas and export business of the Group and the attendance records are set out under "Meetings and Directors Attendance Record" on page 29.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision D.3.1 of the CG Code. The Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of directors and senior management, and the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of Model Code, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

CONSTITUTIONAL DOCUMENTS

Pursuant to Rule 13.90 of the Listing Rules, the Company has posted its Articles of Association on the respective websites of the Hong Kong Stock Exchange and the Company. The shareholders of the Company approved the amendments to its Articles of Association on 16 June 2025 and 9 December 2025 in response to the changed situation and actual needs of the Company. Further details are set out in the circulars of the Company dated 22 May 2025 and 20 November 2025.

Corporate Governance Report

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Company had prepared the consolidated financial statements for the year ended 31 December 2025, which were reviewed by the Audit Committee and external auditor, Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)) in the PRC. The Directors acknowledge that it is their responsibilities in (i) preparing the financial statements of the Group for each financial year with a view to ensure that such financial statements give a true and fair view of the state of affairs of the Group, and (ii) selecting suitable accounting policies and making prudent and reasonable judgments and estimates for the preparation of the financial statements of the Group. The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

The statement of the external auditors of the Company, Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)), regarding their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditors' Report on pages 57 to 60 of this annual report.

COMPANY SECRETARY

Ms. Ruan Zeyun is the company secretary of the Company during the year under review. During FY2025, Ms. Ruan had complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules. The biographical details of the company secretary are set out in the section headed "Biographies of Directors, Supervisors and Senior Management" on page 27 in this annual report.

EXTERNAL AUDITORS

The Company appointed Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)) in the PRC as the external auditor for the year ended 31 December 2025. The Audit Committee has been notified of the nature and the service charges of non-audit services performed by Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)) and considered that these non-audit services have no adverse effect on the independence of the auditor. The Audit Committee reviewed the external auditors' statutory audit scope and non-audit services and approved its fees.

For the year ended 31 December 2025, the total auditor's remuneration was approximately RMB3,950,000, which Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)) charged the Group for audit and assurance services, and the remuneration of non-audit services was approximately RMB550,000 which was mainly related to non-audit consulting.

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditors during the Reporting Period.

There was no change to the external auditors of the Group during the preceding three years.

RISK MANAGEMENT AND INTERNAL CONTROL

The Group has established risk management system and internal control system, and the internal audit department is responsible for the internal audit function of the Group. The Board is responsible for maintaining sound and effective internal control and risk management systems (the "Systems") over the Group's asset and shareholders' interests, as well as for reviewing the Systems' effectiveness. The Systems are designed to provide reasonable, but not absolute, assurance against misstatement or loss, and to manage risks of failure in the Group's operational systems. The major controls of the Systems include financial, operational and compliance controls, as well as an established organized structure with clearly defined lines of responsibility and authority, which is designed to safeguard assets from inappropriate use, maintain proper accounts and ensure compliance with regulations (including the handling and dissimilation of inside information). In particular, regarding the controls for handling and dissemination of inside information, the employees, senior management and the Directors of the Company who possesses or handles inside information are reminded of the inside information requirements under the Listing Rules, the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and the requirements under other relevant laws and regulations. The Directors with the assistance of Ms. Ruan Zeyun, the company secretary of the Company, and the internal audit department of the Company, are responsible to ensure the inside information, if any, is kept confidential and dissimilate to the public to avoid a false market in the listed shares of the Company. The Company may also seek professional advice to consider the dissimilation of inside information to be public as and when necessary to ensure the Company will comply with the requirements under Listing Rules, the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and the requirements under other relevant laws and regulations.

The Board, being responsible for the reviewing the effectiveness of the Systems, together with the Audit Committee and internal audit team, regularly assess the effectiveness of the Systems, and ensures that the management has discharged its duty by establishing and maintaining effective and adequate Systems. The process used to review the effectiveness of the Systems includes carrying testing and sampling, and in case if material internal control defects have been detected, re-testing and resampling would be carried out to ensure the Systems are effective and adequate.

For FY2025, the Audit Committee and the Group's internal audit team, with the assistance of the management of the Group, conducted a review of the Systems and assessed the effectiveness of the Systems by taking into account the reviews by its auditor. Based on the above review, the Board considers that the Group has fully complied with provisions of the CG Code regarding the Systems in general for FY2025, and the Group's Systems are generally appropriate, effective and adequate.

Corporate Governance Report

SHAREHOLDERS' RIGHTS

(i) Participation at general meetings

The general meetings of the Company provide an opportunity for direct communication between the Board and the shareholders. The Company encourages participation of its shareholders through annual general meetings and other general meetings where shareholders meet and exchange views with the Board, and to exercise their right to vote at meetings. The Company shall arrange notices of meetings and circulars containing details on proposed resolutions to be sent to the shareholders no less than 21 days before the annual general meeting and 15 days before the extraordinary general meeting. At general meetings, separate resolutions are proposed on each substantial issue, including the election of individual Directors.

(ii) Convening extraordinary general meetings

According to the Articles of Association, any shareholder(s) individually or jointly holding more than 10% of the Company's total voting shares (inclusive) may sign one or several written requests with the same format and content to propose to the Board to convene an extraordinary general meeting, and specify the topics of the meeting. The Board shall convene an extraordinary within 10 days after receipt of the aforesaid written request. The aforesaid amount of shareholding is calculated with reference to the date on which the shareholder(s) makes the written request.

If the Board cannot or fails to convene a general meeting, the Audit Committee of the Company shall duly convene such meeting and preside. If the Audit Committee of the Company also cannot or fails to convene and preside over a general meeting, the shareholders individually or jointly holding more than 10% of the Company's shares for more than 90 consecutive days may by themselves convene and preside over a general meeting, the procedure for convening such meeting shall, to the extent possible, be the same as the procedure for convening a general meeting by the board of directors.

Where shareholders convene and preside over a meeting because the Board fails to convene the meeting pursuant to the aforesaid request, reasonable expenses incurred shall be borne by the Company.

(iii) Procedures for putting forward proposals at a general meeting

According to the Articles of Association of the Company, any shareholder(s) individually or jointly holding more than 1% of the Company's shares may submit a written provisional motion to the convener 10 days before a general meeting is convened, and the convener shall issue a supplementary notice of the shareholders' meeting announcing the contents of the supplementary motion(s) within two days after receipt of the said motion(s).

Communications with shareholders and investors

The Company is devoted to developing and maintaining continuous relationship and effective communications with shareholders and investors. To strengthen relationships and enhance communications, the Company has established the following communication channels:

(i) An occasion shall be arranged for shareholders of the Company at the annual general meeting for putting forward their opinions and exchanging views with the Board. Directors shall be present in person at the annual general meeting and answer shareholders' questions;

(ii) Where possible, the interim performance and yearly performance shall be issued early to enable shareholders of the Company to better understood the performance and business operations of the Group;

(iii) The Company also publishes all corporate correspondence on the Company's website www.flatgroup.com.cn; and

(iv) Shareholders may raise any enquiries and proposals to the Board by either directly raising questions at general meetings or providing written notice of such enquiries or proposals for the attention of Ms. Ruan Zeyun, the company secretary, at the principal place of business of the Company situated at 1999 Yunhe Road, Xiuzhou District, Jiaxing, Zhejiang Province, PRC or via e-mail to flat@flatgroup.com.cn.

The Company shall maintain an on-going dialogue with shareholders and investors, and would regularly review the policy to ensure its effectiveness. Upon review, the Board is of the view that Company's shareholders' communication policy above was well implemented and maintained effective during the Reporting Period. Information shall be communicated to shareholders and investors mainly through the Company's financial reports (interim and annual reports), general meetings, as well as by making available all the disclosures submitted to Hong Kong Stock Exchange and its corporate communications and other corporate publications on the Company's website. Effective and timely dissemination of information to shareholders and investors shall be ensured at all times.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Environmental, Social and Governance Report for the Reporting Period has been published individually on 26 March 2026.

Report of the Board of Directors

The Directors are pleased to present this annual report and audited consolidated financial statements of the Group as at 31 December 2025.

REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The Company was established in the PRC and has its registered office and headquarters at 1999 Yunhe Road, Xiuzhou District, Jiaxing, Zhejiang Province, the PRC. Its principal place of business in Hong Kong is Unit 7, 21/F., Yen Sheng Centre, 64 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong.

PRINCIPAL ACTIVITIES

The principal activities of the Group are manufacturing and sale of photovoltaic glass products, float glass products, architectural glass products, household glass products and other types of relevant products in the PRC. The principal activities and other particulars of the subsidiaries are set out in note (六)47 to the financial statements.

LIST OF SUBSIDIARIES

Please refer to note (五)1 to the financial statements in this annual report for details of the subsidiaries as at 31 December 2025.

FINANCIAL STATEMENTS

The profit of the Group for FY2025 and the state of the Company's and the Group's affairs as at that date are set out in the consolidated financial statements on pages 61 to 72 of this annual report.

The Group's business review during FY2025 and material factors underlying its results and financial position are set out in the "Management Discussion and Analysis" section of this annual report.

RESERVES

Details of movements in reserves of the Company and the Group are set out in the consolidated statement of changes in equity.

FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the latest five financial years is set out on page 4 of this annual report. This summary does not form part of the audited consolidated financial statements of the Group for FY2025.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during FY2025 are set out in note (六)16、17 to the financial statements.

DIVIDEND AND DIVIDEND POLICY

The payment and the amount of any dividends, if paid, will depend on the Group's results of operations, cash flows, financial condition, statutory and regulatory restrictions on such payment of dividends, future prospects and other factors that the Company may consider relevant. The declaration, payment and amount of dividends will be subject to the Company's discretion. Dividends may be paid only out of the Group's distributable profits as permitted under the relevant laws. To the extent profits are distributed as dividends, such portion of profits will not be available to be reinvested in the Group's operations. There can be no assurance that we will be able to declare or distribute any dividend in the amount set out in any plan of the Board or at all.

In order to share the achievement of the Group in 2025 with all our shareholders, the Board has recommended a final dividend of RMB0.15 per share (before tax), subject to shareholders' approval at the forthcoming annual general meeting.

CHARITABLE DONATIONS

Charitable donations made by the Group during FY2025 amounted to RMB539,274.85 (FY2024: RMB1,661,407.87).

PRINCIPAL RISKS AND UNCERTAINTIES FACED BY THE GROUP

The following sets out the key risks and uncertainties faced by the Group. It is a non-exhaustive list and there may be other risks and uncertainties further to the key risk areas outlined below. Besides, this annual report does not constitute a recommendation or an advice for anyone to invest in the securities of the Company and investors are advised to make their own judgment or consult their own investment advisors before making any investment in the securities of the Company.

Risks pertaining to the PV glass industry

The Group derived a majority of its revenue from its sales of PV glass. During FY2025, the revenue generated from the sales of PV glass amount to RMB13,986.1 million, representing 89.85% of the total revenue of the Group. The demand for PV glass generally depends on the demand for PV modules, which is subject to a number of macroeconomic and factors outside the control of PV glass manufacturers. The demand for solar energy also depends on the overall demand for electricity and the overall social and governmental support for the use of renewable energy. If there is any significant decrease in the demand for solar energy or investments in the PV industry, the demand and the prices of PV glass will decrease accordingly. Such decreases could be substantial and could result in significant excessive supply. Any market downturn, over-supply or fluctuations in the PV industry or financial difficulties faced by PV module manufacturers could have a material adverse impact on the business, financial condition and results of operations of the Group.

Risks pertaining to compliance of laws and regulations, such as PRC environmental laws and regulations

The Group is subject to various PRC environmental laws and regulations for the production and sales of its PV glass, float glass, household glass and architectural glass products, which impose standards on the emission and treatment of pollutants created during the manufacturing process, and are required to obtain environmental protection assessment approval and acceptance from the relevant government authorities in the PRC for the operation of the production facilities. The Group is also subject to various PRC laws and regulations in relation to its mine. As a result, the Group is required to obtain permits, licenses and consents, such as the mining permit for its mining activities and the production safety permit for its manufacturing operations. Any unfavorable changes in the scope of these laws and regulations, or application and interpretation of these laws and regulations, may limit or restrict its production capacity or ability or its manufacturing operation, or increase the costs in pollution control or safety improvement, or otherwise increase its cost, which may materially and adversely affect the Group's business and operations. If the Group fails to comply with the laws and regulations, it may be penalized for non-compliance and may materially and adversely affect its business, operations and financial results.

Past performance and forward-looking statements

The performance and the results of operation of the Group as set out in this annual report are historical in nature and past performance is not a guarantee of future performance. This annual report may contain forward-looking statements and opinions that involve risks and uncertainties. Actual results may also differ materially from expectations discussed in such forward-looking statements and opinions. Neither the Group nor the Directors, employees or agents of the Group assume any obligations or liabilities in the event that any of the forward-looking statements or opinions does not materialize or turns out to be incorrect.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group's operations are subject to current environmental laws, rules and regulations enacted by the Chinese government, including the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), the Law on Environmental Impact Assessment of the PRC (《中華人民共和國環境影響評價法》), the Law on Prevention and Control of Water Pollution of the PRC (《中華人民共和國水污染防治法》), the Law on Prevention and Control of Noise Pollution of the PRC (《中華人民共和國環境噪聲污染防治法》), the Law on Prevention and Control of Soil Pollution of the PRC (《中華人民共和國土壤污染防治法》), the Law on Prevention and Control of Environmental Pollution by Solid Wastes of the PRC (《中華人民共和國固體廢物污染環境防治法》) and the Law on Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》) etc. In addition, the business of the Company's production base in Vietnam must comply with the current laws and regulations on environmental protection issued by the Vietnamese government, including the Environmental Protection Law 2−2020-QH14; Decree No. 06−2022-ND-CP; Decree No. 08−2022-ND-CP; Circular No. 01−2022-TT-BTNMT; Circular 02−2022-TT-BTNMT etc.

One of our major pollutants produced from our production is nitrogen oxides and sulphur dioxide. In order to be a socially responsible manufacturer, the Company has installed environmental protection and energy-saving equipment to minimize the impact on the environment from its production, including flue-gas desulphurization facility, flue-gas denitration facility, residual heat power generator and emissions monitoring system. The Company also monitors, through the emissions monitoring system, whether it satisfies the PRC standards on exhaust gas emissions. The Company and its subsidiaries were accredited with ISO14001:2015 for its environmental management system relating to the production processes of PV glass. For the year ended 31 December 2025, the Company complied with applicable environmental rules and regulations.

In recognition of the Company's continuous efforts in environmental protection and energy saving, the Company and its subsidiary Anhui Flat Solar Glass Co., Ltd. were awarded the title of "National Green Factory" by the Ministry of Industry and Information Technology of the PRC in November 2023. And the Company and its subsidiary Anhui Flat Solar Glass Co., Ltd. were awarded "Building Materials Product Carbon Label Certificate" by the China Building Materials Federation in November 2024.

KEY RELATIONSHIPS

Employees

The Group maintains a good relationship with its employees and provides trainings to employees. New joiners must attend mandatory in-house training. Furthermore, employees may attend external trainings such as trainings for manufacturing management, quality control management and human resource management. Remuneration of employees is reviewed periodically by reference to the market rate. After considering performance of the Group and job performance of specific employees, the Group may pay them discretionary bonus.

The Group makes contributions for its employees in relation to the mandatory social security funds including pension, work-related injury insurance, maternity insurance, medical and unemployment insurance and housing provident fund contributions in the PRC.

Suppliers

The main raw materials of the Group include, silica sand and soda ash. The Group does not rely on any one single raw material supplier. The Group generally enters into legally binding long-term agreements with raw material suppliers in order to ensure smooth production operation.

Aggregate purchases from the Group's largest and five largest suppliers accounted for 16.77% and 48.92%, respectively, of the Group's total purchases for FY2025.

Customers

The Group has established and maintained strong and stable relationships with its customers, with a majority of the top ten customers having had a relationship of five years or above with the Group. The Group's PV glass customers are primarily domestic and overseas PV module manufacturers, whereas its float glass customers are primarily domestic and overseas glass processing manufacturers and domestic glass wholesalers. In addition, the Group sells household glass products to domestic and overseas furniture manufacturers and processing companies and multinational furniture retailers, and sell architectural glass products to domestic and overseas architectural contractors, domestic architectural glass processing companies and domestic construction companies.

For the year ended 31 December 2025, the Group's accounts receivable balance with the five largest customers was RMB1,094,929,242.07 (as at the end of the last year: RMB1,482,118,187.51), accounting for 43.46% (as at the end of the previous year: 55.04%) of the total balance of trade receivables and the provision for credit losses of top five trade receivables amounted to RMB19,270,754.66 (as at the end of the last year: RMB26,085,280.10).

At no time during the Reporting Period under review had the Directors, the supervisors of the Company and their close associates or any shareholder of the Company (who or which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers or suppliers.

Report of the Board of Directors

COMPLIANCE WITH LAWS AND REGULATIONS

Since the Company is established and conducts its operations mainly in the PRC, its H Shares are listed on the Hong Kong Stock Exchange, and A Shares are listed on the Shanghai Stock Exchange. During FY2025 and up to the date of the 2025 annual results announcement, the Company had materially complied with the relevant laws and regulations in the PRC and Hong Kong including relating to its establishment and operations, and the rules of the relevant stock exchange.

BANK BORROWINGS

Details of bank borrowings of the Company and its subsidiaries as at 31 December 2025 are set out in note (六)24、32、34 to the financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during FY2025 are set out in note (六)40 to the financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company, the Company has maintained the prescribed public float under the Listing Rules from 1 January 2025 to 31 December 2025 and at all times up to the date of the 2025 annual results announcement.

PRE-EMPTIVE RIGHTS

Pursuant to the Articles of Association and the laws of the PRC, the Company is not subject to any pre-emptive rights requiring it to propose new issues to its existing shareholders in proportion to their shareholdings.

PURCHASE, SALE OR REDEMPTION OF OUR COMPANY'S LISTED SECURITIES

1. Repurchase A Shares

Reference is made to the announcement of the Company dated 23 February 2024 in relation to the repurchase plan of part of A shares by way of centralized price bidding. With the aim to safeguard the interests of general investors, the Company repurchased part of the Company's A shares with its own funds through the trading system of the Shanghai Stock Exchange by way of centralized price bidding, and will use part of the repurchased A shares as and when appropriate in the future for the purpose of share incentive or employee stock ownership scheme. The relevant resolution had been passed at the Board meeting held on 23 February 2024.

The Company completed the repurchase and has cumulatively repurchased a total of 13,308,421 A shares through centralized pricing bidding on the Shanghai Stock Exchange as at the date of 2025 annual results announcement. Details of share purchases are as follows:

Date	Number of Shares repurchased	Buy-back price per Share (RMB) Highest	Lowest	Total consideration (RMB)
8 May 2024	957,900	26.25	25.94	24,998,095.00
15 May 2024	1,166,800	25.80	25.50	29,997,544.00
17 May 2024	1,236,100	24.50	23.94	29,996,642.00
27 May 2024	1,000,100	24.27	24.00	24,146,100.00
4 June 2024	190,000	24.50	24.24	4,633,464.00
6 June 2024	868,300	24.39	24.12	21,039,986.00
7 June 2024	1,274,300	23.81	23.34	29,998,105.00
17 June 2024	687,600	22.96	22.36	15,724,265.00
18 June 2024	869,500	22.95	22.74	19,866,147.53
20 August 2024	864,321	17.50	17.34	15,057,097.08
6 September 2024	352,000	17.11	17.00	5,999,560.00
11 February 2025	726,400	20.70	20.53	14,998,395.00
12 February 2025	490,900	20.40	20.29	9,998,124.00
13 February 2025	488,880	20.50	20.41	9,998,525.00
14 February 2025	368,720	20.45	20.35	7,530,135.00
18 February 2025	829,600	20.73	20.00	16,998,157.00
19 February 2025	265,600	20.45	19.96	5,414,497.00
20 February 2025	296,400	20.25	20.21	5,999,229.98
21 February 2025	375,000	20.30	20.24	7,607,249.00
Total	**13,308,421**			**300,001,317.59**

2. Repurchase and Cancel Part of Shares of the First Grant under the Restricted A Share Incentive Scheme for 2020

Reference is made to the circular of the Company dated 27 May 2020 and the announcements dated 29 April 2020, 29 June 2020, 11 August 2020, 31 August 2020 and 25 May 2021 in relation to the Restricted A Share Incentive Scheme for 2020. Given that one participant under the first grant of the 2020 Incentive Scheme was found to have committed illegal or disciplinary violations, the Company has terminated the employment relationship and the individual no longer qualifies for the incentive. The Board of Director resolved to repurchase and cancel the 40,000 restricted shares that had been granted but had not yet been unlocked. The company has completed cancellation on 24 October 2025.

Save as disclosed in this report, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares) during FY2025.

ISSUANCE OF EQUITY SECURITIES AND USE OF PROCEEDS

1. Issuance of A Share Convertible Bonds

To further expand the capacity and maintain the leading technology and scale advantage of the Company's core product PV glass, while enhancing the financial strength and meet the working capital requirements of the Company, the Company proposed to issue A share convertible corporate bonds in the PRC, with total proceeds of no more than RMB4 billion. The relevant resolution was approved at the Board meeting held on 16 June 2021, and was approved at the 2021 second extraordinary general meeting, the 2021 second A share class meeting and the 2021 second H shareholders class meeting of the Company on 20 August 2021. On 16 June 2021, the announcement in relation to the issuance of A shares convertible bonds was published on the website of the Hong Kong Stock Exchange and the closing price of A share on that day was RMB29.53 per share. The target investors of the A share convertible bonds are natural persons, legal persons, securities investment funds and other investors who meet the requirements under the laws, and who have maintained securities accounts with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (except those prohibited by the state laws and regulations in the PRC). It was reported to the CSRC on 8 November 2021 and it was approved by CSRC in March 2022. The issuance of A share convertible bonds was completed in May 2022. The A share convertible bonds under this issuance were with a nominal value of RMB100 and were issued at par. The Company completed the issue of 40 million convertible bonds. The subscription funds for the A share convertible bonds under this issuance totaled RMB4,000,000,000.00. After deducting the issuance fee of RMB23,078,799.67, the net funds raised were RMB3,976,921,200.33. As of 31 December 2025, a total of RMB116,000 convertible bonds has been converted into 2,678 A Shares of the Company.

The total net proceeds from the public issuance of A share convertible bonds by the Company amounted to approximately RMB3,976.92 million. As at 31 December 2025, the use of such proceeds were as follows:

Use for	Percentage of net proceeds	Amount of net proceeds RMB'0,000	Amount utilized RMB'0,000	Amount unutilized RMB'0,000
Annual production of 750,000 tons of solar equipment ultra-thin and ultra-high-transparent panel manufacturing project	48.91%	194,500.00	141,585.45	52,914.55
Distributed PV power generation construction project	15.97%	63,492.12	39,966.89	23,525.23
Annual production of 15 million square meters of solar PV ultra-white glass technical transformation project	4.95%	19,700.00	19,041.35	658.65
Working capital	30.17%	120,000.00	120,000.00	0.00
Total	100%	397,692.12	320,593.69	77,098.43

The amount unutilized is excepted to be fully utilized by the Company according to its use of proceeds plan for such proceeds by 31 December 2026. As at the date of this report, the Directors confirm that the proceeds were used and are proposed to be used according to the intentions previously disclosed.

2. Issuance of A Shares to Specific Subscribers

In order to further increase the Company's capacity scale, meet the growing market demand of the photovoltaic industry, provide customers with better quality products and efficient and timely services, further improve the company's comprehensive competitive strength, and consolidate and enhance the company's market position, on 1 June 2022, the Board approved the proposed Issuance of A Shares to Specific Subscribers which was then approved by shareholders of the Company at the 2022 first extraordinary general meeting, the 2022 first A share class meeting and the 2022 first H share class meeting held on 29 July 2022. In November 2022, the Company received the "Approval in Relation to the Non-public Issuance of Shares by Flat Glass Group Co., Ltd. (Zheng Jian Xu Ke [2022] No. 2742)" (《關於核准福萊特玻璃集團股份有限公司非公開發行股票的批覆》(證監許可[2022]2742號)) from the CSRC, which approved the Company's proposed non-public issuance of not more than 509,068,000 new A Shares. The proposed extension of the validity period of the resolution relating to the Issuance of A Shares to Specific Subscribers and the proposed extension of the validity period of the mandate to the Board to deal with matters relating to the Issuance of A Shares to Specific Subscribers were approved by shareholders at the 2023 first extraordinary general meeting, the 2023 first A share class meeting and the 2023 first H share class meeting held on 24 July 2023. The shares to be issued under the non-public issuance are RMB denominated ordinary Shares (A Shares) with a nominal value of RMB0.25 each, which will be listed on the Shanghai Stock Exchange. On 1 August 2023, the Company completed the Issuance of A Shares to Specific Subscribers with the issuance of 204,429,301 A Shares in total at issue price of RMB29.35 per share. The total proceeds from the Issuance of A Shares to Specific Subscribers is RMB5,999,999,984.35. After deducting the underwriting fee and other issuance fee (excluding value-added tax) of RMB34,592,837.65, the net funds raised were RMB5,965,407,146.70. On 1 June 2022, the announcement relating to the Issuance of A Shares to Specific Subscribers was published on the website of Hong Kong Stock Exchange and the closing price of A Share on that day was RMB42.51 per share. The target subscribers including securities investment fund management companies, securities firms, trust companies, finance companies, insurance institutional investors, qualified foreign institutional investors which satisfy the relevant requirements of the CSRC and other corporate bodies, individuals or other institutional investors which satisfy the relevant requirements of the relevant laws and regulations.

The total net proceeds from the Issuance of A Shares to Specific Subscribers amounted to approximately RMB5,965,407,146.70. As at 31 December 2025, the use of such proceeds were as follows:

Unit: RMB10,000

Project		Percentage of proceeds	Amount of net proceeds RMB'0,000	Amount utilized RMB'0,000	Amount unutilized RMB'0,000
Annual production of 1,950,000 tons of new energy equipment high-transparent panel manufacturing project	Annual production of 750,000 tons of new energy equipment high-transparent panel manufacturing project Annual production of 1,200,000 tons of new energy equipment high-transparent panel manufacturing project	32.353%	193,000.00	193,901.63	0.00
Annual production of 1,500,000 tons of new energy equipment ultra-thin and ultra-high-transparent panel manufacturing project		37.473%	223,540.71[note 1]	226,911.61	0.00
Working capital		30.174%	180,000.00	180,000.00	0.00
Total		100%	596,540.71	600,813.24	0.00

Notes:

1. This project will be implemented in phases, and such proceeds from the Issuance of A Shares to Specific Subscribers will be used for the first phase of the project.

2. The portion of the utilized amount that exceeds the total gross proceeds shall be treated as interest income.

As at 31 December 2025, the proceeds of the Issuance of A Shares to Specific Subscribers have been used up.

DIRECTORS

For the year ended 31 December 2025 and up to the date of the 2025 annual results announcement, the directors and supervisors of the Company in office are shown as below:

Executive directors

Mr. Ruan Hongliang *(Chairman of the Board of Directors)*
Ms. Jiang Jinhua
Ms. Ruan Zeyun
Mr. Wei Yezhong
Mr. Shen Qifu

Employee director

Ms. Niu Liping *(appointed on 9 December 2025)*

Independent non-executive directors

Ms. Xu Pan
Ms. Ng Yau Kuen Carmen
Ms. Du Jian

Supervisors

Mr. Zheng Wenrong *(Chairman of the Board of Supervisors) (resigned on 9 December 2025)*
Mr. Shen Fuquan *(resigned on 9 December 2025)*
Mr. Zhu Quanming *(resigned on 9 December 2025)*
Ms. Niu Liping *(resigned on 9 December 2025)*
Ms. Zhang Huizhen *(resigned on 9 December 2025)*

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Biographical details of directors, supervisors and senior management of the Company during FY2025 and up to the date of this annual report are set out on pages 24 to 27 of this annual report.

CONTROLLING SHAREHOLDERS' MATERIAL INTERESTS IN CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE GROUP'S BUSINESS

No contracts of significance between the Company or any of its subsidiaries and its controlling shareholders or any of its subsidiaries, or for the provision of services to the Group or any of its subsidiaries by any of its controlling shareholders or any of its subsidiaries, subsisted at the end of the year or at any time during the Reporting Period.

SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

Each of the executive directors and independent non-executive directors has entered into a service contract with the Company.

During the year, the Company appointed 1 employee director, and the members of the seventh session of the Board of the Company adjusted from the original 8 directors to 9 directors accordingly. The added 1 employee director was elected through the employees' representative congress of the Company, so as to protect the rights of employees to participate in decision-making, and to safeguard the interests of employees. On 9 December 2025, employees' representative congress of the Company elected to appoint Ms. Niu Liping as the employee director of the Company.

In order to fully implement the latest legal and regulatory requirements and to ensure that the Company's governance remains aligned with regulations, further standardize the Company's operational mechanisms and enhance its governance standards, and in accordance with relevant laws and regulations including the Company Law of the People' s Republic of China (Revised in 2023) , the Guidelines for Articles of Association of Listed Companies and the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (Revised in April 2025), and in light of its actual circumstances, following the approval of the resolution on Proposed Amendments to AoA and cancellation of the Supervisory Committee by the Shareholders at the 2025 first extraordinary general meeting held on 9 December 2025, the Company cancelled the Board of Supervisors. The powers and functions of the Supervisory Committee will be assumed by the audit committee of the Board. The relevant internal rules of the Board of Supervisors, such as the Rules of Procedures of Meetings of the Supervisory Committee of Flat Glass Group Co., Ltd. (《福萊特玻璃集團股份有限公司監事會議事規則》), will be repealed accordingly. The provisions related to the Board of Supervisors and supervisors in the rules and regulations of the Company are no longer applicable.

Save as disclosed above, none of the directors of the Company has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

PERMITTED INDEMNITY PROVISION

Since 1 January 2025 up to and including 31 December 2025, the Company had taken out appropriate corporate liability insurance for the its directors, supervisors and senior management. As of the date of the 2025 annual results announcement, such corporate liability insurance remained effective.

REMUNERATION OF DIRECTORS AND SUPERVISORS

The remuneration of directors are based on industry condition and business operation of the Company.

Details of the remuneration of the directors and supervisors of the Company are set out as follows:

	Directors' fee RMB'000	Salaries and other benefits RMB'000	Retirement benefit scheme contributions RMB'000	Discretionary bonus RMB'000	Total RMB'000
Executive directors:					
Mr. Ruan Hongliang	–	1,172	47	36	1,255
Ms. Jiang Jinhua	–	815	–	36	851
Ms. Ruan Zeyun	–	1,130	47	36	1,213
Mr. Wei Yezhong	–	622	44	36	702
Mr. Shen Qifu	–	594	44	36	674
Independent non-executive directors:					
Ms. Xu Pan	100	–	–	–	100
Ms. Ng Yau Kuen Carmen	194	–	–	–	194
Ms. Du Jian	100	–	–	–	100
Supervisors:					
Mr. Zheng Wenrong	–	170	–	25	195
Mr. Shen Fuquan	–	113	–	16	129
Mr. Zhu Quanming	–	78	–	13	91
Ms. Zhang Huizhen	–	246	–	26	272
Ms. Niu Liping (Note)	–	184	14	16	214
Total	394	5,124	196	276	5,990

Note: Ms. Niu Liping served as a supervisor of the Company from 1 January, 2025 to 9 December, 2025, and has served as an employee representative director of the Company since 9 December, 2025. Ms. Niu Liping's remuneration for the year 2025 is calculated on a consolidated basis according to her successive positions held.

During the Reporting Period, neither were there any amounts paid or receivable by Directors or supervisors of the Company as an inducement to join or upon joining the Company, nor was there any compensation paid or receivable by any Directors, supervisors of the Company or past Directors or past supervisors of the Company for the loss of office as a Director or supervisor of the Company of any member of the Group or of any other office in connection with the management of the affairs of any member of the Group. During the Reporting Period, there was no arrangement under which any Director or supervisor of the Company has waived or agreed to waive any emoluments.

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES

As at 31 December 2025, the interests and short positions of Directors and chief executives of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interest or short position which the Directors or the chief executive were taken or deemed to have under such provisions) and the Model Code contained in the Listing Rules, were as follows:

Shareholder	Number of Shares held	Class	Nature of Interest	Approximate percentage of shareholding in the relevant class of shares[1]	Approximate percentage of shareholding in the total share capital of the Company[2]
Directors					
Mr. Ruan Hongliang[3]	1,104,772,000 (L)	A Shares	Beneficial owner and parties acting in concert	58.11%	47.15%
	2,799,000 (L)	H Shares		0.63%	0.12%
Ms. Jiang Jinhua[3]	1,104,772,000 (L)	A Shares	Beneficial owner and parties acting in concert	58.11%	47.15%
	2,799,000 (L)	H Shares		0.63%	0.12%
Ms. Ruan Zeyun[3]	1,104,772,000 (L)	A Shares	Beneficial owner and parties acting in concert	58.11%	47.15%
	2,799,000 (L)	H Shares		0.63%	0.12%
Mr. Wei Yezhong	14,040,600	A Shares	Beneficial owner	0.74%	0.60%
Mr. Shen Qifu	9,360,400	A Shares	Beneficial owner	0.49%	0.40%

Notes:

(1) The calculation is based on the total number of 1,901,165,233 A Shares or 441,715,000 H Shares of the Company in issue as at 31 December 2025.

(2) The calculation is based on the total number of 1,901,165,233 A Shares and the total number of 441,715,000 H Shares (i.e. a total of 2,342,880,233 Shares) in issue as at 31 December 2025.

(3) Mr. Ruan Hongliang is the spouse of Ms. Jiang Jinhua. As at 31 December 2025, Mr. Ruan Hongliang owns 439,358,400 A Shares and 485,000 H Shares. Ms. Jiang Jinhua owns 310,081,600 A Shares and 111,000 H Shares. Ms. Ruan Zeyun is the spouse of Mr. Zhao Xiaofei, and the daughter of Mr. Ruan Hongliang and Ms. Jiang Jinhua. Ms. Ruan Zeyun owns 350,532,000 A Shares and 2,203,000 H Shares. Mr. Zhao Xiaofei owns 4,800,000 A Shares.

Pursuant to a concert party agreement dated 19 September 2016 entered into among Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun and Mr. Zhao Xiaofei, each of Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun and Mr. Zhao Xiaofei is considered to be interested in 1,104,772,000 (long positions) A Shares, 0 (short positions) A Shares and 2,799,000 H Shares under the SFO.

Save as disclosed above, as at 31 December 2025, to the knowledge of the Company, none of the Directors and the chief executive of the Company had or was deemed under the SFO to have any interests or short positions in any of the Shares or the underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO or to be notified to the Company and the Stock Exchange pursuant to the Model Code.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2025, the persons or corporations, other than the directors and the chief executive of the Company, who had an interest or short position in the Shares, underlying Shares or debentures of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Shareholder	Number of Shares held	Class	Nature of Interest	Approximate percentage of shareholding in the relevant class of Shares[1]	Approximate percentage of shareholding in the total share capital of the Company[2]
Mr. Zhao Xiaofei[3]	1,104,772,000(L) 2,799,000 (L)	A Shares H Shares	Beneficial owner and parties acting in concert	58.11% 0.63%	47.15% 0.12%
JPMorgan Chase & Co.[4]	61,186,661 (L) 11,662,768 (S) 5,945,496 (P)	H Shares	Beneficial owner, investment manager, security interest in shares and approved lending agent	13.85% 2.64% 1.35%	2.61% 0.50% 0.25%
Pacific Asset Management Co., Ltd.	31,525,000 (L)	H Shares	Investment manager	7.14%	1.35%
Shanghai Greenwoods Asset Management Company Limited[5]	27,042,000 (L)	H Shares	Investment manager	6.12%	1.15%
Xizang Jingning Corporate Management Company Limited[5]	27,042,000 (L)	H Shares	Interest of controlled corporation	6.12%	1.15%
上海寧泉資產管理有限公司	26,532,000 (L)	H Shares	Investment manager	6.01%	1.13%
CICC Pucheng Investment Co., Ltd.	23,870,000 (L)	H Shares	Beneficial owner	5.40%	1.02%
HSBC Holdings plc[6]	22,842,945 (L) 8,988,098 (S)	H Shares	Interest of controlled corporation, custodian and investment manager	5.17% 2.03%	0.97% 0.38%
China International Capital Corporation Limited[7]	22,573,000 (L)	H Shares	Interest of controlled corporation	5.11%	0.96%

Notes：

(1) The calculation is based on the total number of 1,901,165,233 A Shares or 441,715,000 H Shares of the Company in issue as at 31 December 2025.

(2) The calculation is based on the total number of 1,901,165,233 A Shares and the total number of 441,715,000 H Shares (i.e. a total of 2,342,880,233 Shares) in issue as at 31 December 2025.

(3) Mr. Ruan Hongliang is the spouse of Ms. Jiang Jinhua. As at 31 December 2025, Mr. Ruan Hongliang owns 439,358,400 A Shares and 485,000 H Shares. Ms. Jiang Jinhua owns 310,081,600 A Shares and 111,000 H Shares. Ms. Ruan Zeyun is the spouse of Mr. Zhao Xiaofei, and the daughter of Mr. Ruan Hongliang and Ms. Jiang Jinhua. Ms. Ruan Zeyun owns 350,532,000 A Shares and 2,203,000 H Shares. Mr. Zhao Xiaofei owns 4,800,000 A Shares.

Pursuant to a concert party agreement dated 19 September 2016 entered into among Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun and Mr. Zhao Xiaofei, each of Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun and Mr. Zhao Xiaofei is considered to be interested in 1,104,772,000 (long positions) A Shares, 0 (short positions) A Shares and 2,799,000 H Shares under the SFO.

(4) JPMorgan Chase & Co. indirectly held relevant interests and short positions through a series of its controlled corporations, including holding of certain unlisted derivatives (cash settlement: 3,198,768 shares (long positions) and 5,345,000 shares (short positions)).

(5) Xizang Jingning Corporate Management Company Limited held 100% equity interest in Shanghai Greenwoods Asset Management Company Limited.

(6) HSBC Holdings plc held relevant interests and short positions through a series of its controlled corporations, including holding of certain unlisted derivatives (physical settlement: 944,796 shares (short positions); cash settlement: 2,681,000 shares (short positions)).

(7) China International Capital Corporation Limited indirectly held relevant interests through a series of its controlled corporations.

Save as disclosed above, as at 31 December 2025, so far as is known to the Directors, there is no other person who had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the year ended 31 December 2025.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTION, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE GROUP'S BUSINESS

No contract of significance to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a Director or supervisor of the Company or an entity connected with a Director or supervisor had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2025.

RELATED PARTY TRANSACTIONS

The related party transactions in relation to the emoluments of Directors and employees are connected transactions exempt from reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.95 of the Listing Rules. The related party transactions conducted during the year under review as disclosed in Note (十) to the financial statement of the Group were transactions not falling under the definition of connected transaction or continuing connected transactions as defined in chapter 14A of the Listing Rules or were connected transactions exempt from reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.76 of the Listing Rules.

Connected Transaction

During the Reporting Period, there were no connected transaction or continuing connected transactions as defined in chapter 14A of the Listing Rules that are required to be disclosed in this report.

COMPETING BUSINESS

None of the Directors and their associates had any interest in any competing business with the Company or any of its subsidiaries during the year ended 31 December 2025.

COMPLIANCE WITH NON-COMPETITION UNDERTAKING

Each of Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun and Mr. Zhao Xiaofei has confirmed to the Company that he/she has complied with the non-competition undertaking given by them to the Company pursuant to the deed of non-competition dated 16 October 2015. The independent non-executive Directors of the Company have reviewed the status of compliance and enforcement of the non-competition undertaking and confirmed that all the undertakings thereunder have been complied with throughout the period from 1 January 2025 up to and including 31 December 2025.

ARRANGEMENT FOR DIRECTORS AND SUPERVISORS TO PURCHASE SHARES OR DEBENTURES

At no time during the year ended 31 December 2025 were rights to acquire benefits by means of acquisition of shares in or debentures of the Company granted to any Director of the Company or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate.

RETIREMENT SCHEMES

The Group abides by the laws and regulations in relation to employee benefits and retirement planning promulgated by the Chinese government. Details of the Group's retirement plans are set out in Note (六)29 to the financial statements.

SIGNIFICANT LEGAL PROCEEDINGS

For the year ended 31 December 2025, the Company was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company.

Report of the Board of Directors

EVENTS AFTER THE REPORTING PERIOD

As of the date of this report, there is no significant subsequent event.

AUDIT COMMITTEE

The audit committee of the Company had reviewed together with the Board and external auditors the accounting standards and practices adopted by the Group and the audited consolidated financial statements of the Group for the year ended 31 December 2025.

EXTERNAL AUDITORS

Deloitte Touche Tohmatsu Certified Public Accountants LLP will be the only auditor auditing the Company's financial statements in accordance with the CASBE and undertaking the role of international auditors in compliance with the Listing Rules. The consolidated financial statements for the year ended 31 December 2025 have been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)).

Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)) will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company. A resolution for the re-appointment of Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)) as auditors of the Group is to be proposed at the annual general meeting of the Company.

There was no change to the Group's auditor during the preceding three years.

On behalf of the Board of Directors

Ruan Hongliang
Chairman

Jiaxing, Zhejiang, the PRC
26 March 2026

Independent Auditor's Report

De Shi Bao (Shen) Zi (26) No. P00482

TO ALL THE SHAREHOLDERS OF FLAT GLASS GROUP CO., LTD.

1. AUDIT OPINION

We have audited the financial statements of Flat Glass Group Co., Ltd. (hereinafter referred to as "Flat Group"), including the consolidated and parent company's balance sheet as at 31 December 2025, the consolidated and parent company's income statement, the consolidated and parent company's statement of cash flow, the consolidated and parent company's statement of changes in shareholders' equity and notes to the financial statements in 2025.

In our opinion, the attached financial statements have been prepared in accordance with the accounting standards for business enterprises in all material aspects, and have given a fair view of the consolidated and parent company's financial position as at 31 December 2025, and of its consolidated and parent company's operating results and consolidated and parent company's cash flow in 2025.

2. BASIS FOR FORMING AUDIT OPINION

We conducted our audit in accordance with the Chinese standards on auditing for certified public accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our audit report. We are independent of the Flat Group in accordance with CICPA Code of Ethics − Part 1: Independence Requirements for Financial Statement Audit and Review Engagements and the code of professional ethics for Chinese certified public accountants, and we have fulfilled other responsibilities in terms of professional ethics. We have maintained independence in accordance with the independence requirements applicable to audits of public interest entities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of financial statements in 2025. The responses to these matters were based on the audit of the financial statements as a whole and the formation of audit opinions. We do not provide a separate opinion on these matters and we confirm that the following matters are the key audit matters to be communicated in the audit report.

(1) Cut-off of revenue recognition

Item description

As stated in Note (VI) 47 to the financial statements, the sales revenue of Flat Group in 2025 was mainly from the sales of glass amounting to RMB14,890,917,295.82. The sales revenue of glass is recognised when the customer obtains the control right of relevant goods. According to the agreement of the sales contract, for domestic sales, Flat Group transported the goods to the agreed place of delivery or picked up by the buyers on their own, with the revenue recognised on receiving the goods; and for export sales, Flat Group recognises the sales revenue according to the time when the control of goods is transferred under different trade modes. As revenue is one of the key performance indicators of Flat Group, and the timing of the transfer of control of goods is different, there may be a risk that the sales revenue is not recognised in the appropriate period. Therefore, we consider whether the sales revenue of glass is included in the appropriate accounting period as the key audit matter.

How our audit addressed the key audit matter

Our main audit procedures for the key audit matters related to the cut-off of revenue recognition of the above glass include:

(1) Obtain an understanding of the key internal control related to the cut-off of sales revenue recognition for glass, evaluate the design and implementation of the relevant internal control, and test the effectiveness of its operation;

(2) Check the sales contracts of major customers and interview with the management, identify the contract terms related to the transfer time of control of products, and evaluate whether the time point of revenue recognition of Flat Group is in line with the provisions of accounting standards for business enterprises;

(3) Obtain the sales records for a transaction cycle prior to the balance sheet date to conduct cut-off tests. For export sales, we conducted sampling inspection of customs declarations or cargo receipt records according to different trade patterns. For domestic sales, we sampled the receipt records of the goods;

(4) Perform cut-off tests on the revenue of the last transaction cycle after the balance sheet date, and sample supporting documents related to revenue recognition including receipt records and customs declarations. In addition, we also took into account whether there were major post-sales recalls and assessed their impacts on the financial statements.

4. OTHER INFORMATION

The management of Flat Group is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our audit reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The management of Flat Group is responsible for the preparation of the financial statements that give a fair view in accordance with the accounting standards for business enterprises, and designing, implementing and maintaining the necessary internal controls so that the financial statements are free from material misstatement due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Flat Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern assumption unless the management either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Flat Group's financial reporting process.

6. CPA'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement due to fraud or error, and to issue audit reports containing audit opinions. Reasonable assurance is a high-level assurance, but it does not guarantee that the audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. At the same time, we also:

(1) Identify and assess the risks of material misstatement of the financial statements due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

(4) Draw a conclusion on the appropriateness of management's use of going concern assumption. At the same time, conclude on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Flat Group's ability to continue as a going concern based on the audit evidence obtained. If we conclude that a material uncertainty exists, we are required by the auditing standards to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to issue a non-unqualified opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Flat Group to cease to continue as a going concern.

(5) Evaluate the overall presentation (including the disclosures), structure and content of the financial statements, and whether the financial statements represent the relevant transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Flat Group to express an audit opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide a statement to those charged with governance that we have complied with relevant ethical requirements regarding independence, and communicate with those charged with governance all relationships and other matters that may reasonably be considered to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte Touche Tohmatsu
Certified Public Accountants LLP
Shanghai, China

Chinese certified public accountant:
(engagement partner)

Chinese certified public accountant:

26 March 2026

Consolidated Balance Sheet

31 December 2025

RMB

Items	NOTE (VI)	Closing balance	Opening balance
Current assets:			
Cash at bank and on hand	1	**4,014,459,672.62**	5,294,894,127.46
Trading financial assets	2	**480,018,805.88**	520,018,576.54
Derivative financial assets	3	**1,656,645.00**	698,070.40
Bills receivable	4	**1,016,212,275.03**	1,106,217,189.54
Trade receivables	5	**2,428,708,501.94**	2,595,254,216.48
Financing receivables	6	**1,124,553,338.33**	1,566,522,584.04
Advance payment	7	**166,206,730.04**	53,328,847.76
Other receivables	8	**97,757,698.58**	130,072,141.34
Inventories	9	**1,735,135,213.69**	1,732,831,478.80
Non-current assets due within one year	10	**140,576,000.00**	–
Other current assets	11	**1,071,463,305.25**	877,208,803.75
Total current assets		**12,276,748,186.36**	13,877,046,036.11
Non-current assets:			
Debt investment	12	**126,000.00**	143,768,000.00
Other debt investment	13	**290,377,868.35**	223,712,827.25
Long-term equity investment	14	**187,979,762.05**	112,469,977.19
Investment properties	15	**461,152,874.31**	486,742,160.12
Fixed assets	16	**17,571,474,371.61**	16,395,460,289.88
Construction in progress	17	**3,413,645,753.55**	2,941,458,882.80
Right-of-use asset	18	**996,430,940.45**	964,173,015.24
Intangible assets	19	**6,252,537,787.15**	6,325,843,840.85
Long-term prepaid expenses	20	**207,028,579.70**	243,549,841.55
Deferred income tax assets	21	**334,258,007.22**	326,497,420.36
Other non-current assets	22	**392,654,117.66**	879,075,742.46
Total non-current assets		**30,107,666,062.05**	29,042,751,997.70
Total assets		**42,384,414,248.41**	42,919,798,033.81

The notes are an integral part of the financial statements.

The financial statements on pages 61 to 72 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Consolidated Balance Sheet

31 December 2025

RMB

Items	NOTE (VI)	Closing balance	Opening balance
Current liabilities:			
Short-term borrowings	24	**832,480,837.67**	1,016,886,467.84
Derivative financial liabilities	25	**6,305,020.68**	767,714.98
Bills payable	26	**127,989,845.88**	874,305,689.59
Trade payables	27	**3,987,254,610.05**	4,023,960,176.25
Contract liabilities	28	**44,465,850.49**	33,293,546.48
Payroll payable	29	**103,319,575.09**	105,478,367.64
Tax payables	30	**150,676,965.96**	189,088,810.12
Other payables	31	**192,579,096.56**	155,082,120.17
Including: Interest payable		**45,223,547.09**	36,197,048.99
Dividends payable		**136,920.00**	1,299,820.00
Non-current liabilities due within one year	32	**2,393,385,639.52**	2,294,095,101.37
Other current liabilities	33	**2,805,550.04**	2,569,993.90
Total current liabilities		**7,841,262,991.94**	8,695,527,988.34
Non-current liabilities:			
Long-term borrowings	34	**6,442,996,957.67**	7,092,181,287.22
Bonds payable	35	**4,065,908,075.91**	3,916,928,685.43
Lease liabilities	36	**766,355,039.78**	764,315,904.02
Long-term payables	37	**–**	47,989,504.57
Estimated liabilities	38	**3,897,359.93**	4,549,602.98
Deferred income	39	**321,321,835.41**	207,242,484.26
Deferred tax liabilities	21	**331,147,734.17**	406,901,700.96
Total non-current liabilities		**11,931,627,002.87**	12,440,109,169.44
Total liabilities		**19,772,889,994.81**	21,135,637,157.78
Shareholders' equity:			
Share capital	40	**585,720,058.25**	585,729,891.25
Other equity instruments	41	**491,721,254.21**	491,724,696.36
Capital reserve	42	**10,705,664,290.01**	10,700,692,654.16
Less: Treasury stock	40	**301,856,607.47**	229,499,392.17
Other comprehensive income	43	**(140,237,601.82)**	(26,317,651.97)
Special reserve	44	**85,214,090.18**	68,241,880.14
Surplus reserve	45	**293,915,529.38**	293,915,529.38
Undistributed profit	46	**10,794,884,367.54**	9,814,310,237.19
Total equity attributable to shareholders of the parent company		**22,515,025,380.28**	21,698,797,844.34
Minority interests		**96,498,873.32**	85,363,031.69
Total shareholders' equity		**22,611,524,253.60**	21,784,160,876.03
Total liabilities and shareholders' equity		**42,384,414,248.41**	42,919,798,033.81

The notes are an integral part of the financial statements.

The financial statements on pages 61 to 72 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Balance Sheet of the Parent Company

31 December 2025

RMB

Items	NOTE (XV)	Closing balance	Opening balance
Current assets:			
Cash at bank and on hand		**1,153,658,467.86**	1,219,333,583.98
Trading financial assets		**300,018,805.88**	300,018,576.54
Derivative financial assets		**–**	698,070.40
Bills receivable		**358,878,953.73**	219,512,361.38
Trade receivables	1	**690,936,235.14**	591,681,045.80
Financing receivables		**125,572,253.06**	668,423,081.64
Advance payment		**55,806,828.74**	34,774,100.50
Other receivables	2	**3,858,268,970.51**	2,474,989,297.15
Including: Dividends receivable		**–**	14,030,000.00
Inventories		**334,024,436.19**	320,680,763.56
Non-current assets due within one year		**140,576,000.00**	–
Other current assets		**211,485,916.87**	259,451,996.00
Total current assets		**7,229,226,867.98**	6,089,562,876.95
Non-current assets:			
Debt investment		**126,000.00**	143,768,000.00
Other debt investment		**61,065,041.10**	-
Long-term equity investment	3	**3,685,723,206.03**	3,522,653,129.14
Investment properties		**448,076,524.88**	472,234,340.29
Fixed assets		**2,845,160,929.01**	2,794,241,499.93
Construction in progress		**98,626,643.08**	66,555,290.25
Intangible assets		**363,558,430.18**	370,807,846.42
Long-term prepaid expenses		**70,162,993.30**	81,231,485.12
Other non-current assets		**8,229,686,110.22**	9,833,954,619.04
Total non-current assets		**15,802,185,877.80**	17,285,446,210.19
Total assets		**23,031,412,745.78**	23,375,009,087.14

The notes are an integral part of the financial statements.

The financial statements on pages 61 to 72 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Balance Sheet of the Parent Company

31 December 2025

RMB

Items	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	**204,633,600.00**	171,886,467.84
Derivative financial liabilities	**2,418,470.15**	156,118.69
Bills payable	**143,758,325.05**	9,449,307.42
Trade payables	**794,403,016.92**	794,843,375.26
Contract liabilities	**9,573,420.23**	57,303,769.85
Payroll payable	**40,601,371.13**	40,207,256.71
Tax payable	**27,643,660.73**	22,893,894.58
Other payables	**501,891,230.09**	1,309,474,309.78
Including: Interest payable	**39,853,197.86**	27,839,932.53
Dividends payable	**136,920.00**	1,299,820.00
Non-current liabilities due within one year	**587,033,486.14**	832,900,000.00
Other current liabilities	**942,707.59**	1,554,293.45
Total current liabilities	**2,312,899,288.03**	3,240,668,793.58
Non-current liabilities:		
Long-term borrowings	**2,936,624,566.26**	2,585,154,892.42
Bonds payable	**4,065,908,075.91**	3,916,928,685.43
Deferred income	**113,945,040.14**	57,851,024.88
Deferred income tax liabilities	**41,764,122.54**	29,552,141.54
Total non-current liabilities	**7,158,241,804.85**	6,589,486,744.27
Total liabilities	**9,471,141,092.88**	9,830,155,537.85
Shareholders' equity:		
Share capital	**585,720,058.25**	585,729,891.25
Other equity instruments	**491,721,254.21**	491,724,696.36
Capital reserve	**10,706,177,831.92**	10,700,692,654.16
Less: Treasury stock	**301,856,607.47**	229,499,392.17
Surplus reserve	**293,915,529.38**	293,915,529.38
Undistributed profit	**1,784,593,586.61**	1,702,290,170.31
Total shareholders' equity	**13,560,271,652.90**	13,544,853,549.29
Total liabilities and shareholders' equity	**23,031,412,745.78**	23,375,009,087.14

The notes are an integral part of the financial statements.

The financial statements on pages 61 to 72 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Consolidated Income Statement

For the year ended 31 December 2025

RMB

Items		NOTE (VI)	Amount incurred in the current year	Amount incurred in the last year
I.	**Operating revenue**	47	**15,566,788,573.36**	18,682,602,478.36
	Less: Operating costs	47	**12,934,724,797.63**	15,787,606,518.28
	Taxes and surcharges	48	**155,023,457.45**	196,311,824.63
	Selling expenses	49	**69,465,428.93**	51,974,447.60
	Administrative expenses	50	**336,100,941.29**	327,558,607.22
	Research and development expenses	51	**430,683,427.96**	604,788,932.74
	Financial expenses	52	**413,485,576.66**	407,493,717.54
	Including: Interest expenses		**514,688,309.56**	569,813,716.98
	Interest income		**78,544,869.16**	126,044,839.70
	Add: Other income	53	**104,319,682.50**	121,137,364.75
	Investment income	54	**37,937,217.47**	51,804,613.22
	Including: Gains on investment in associates		**23,620,234.79**	18,629,460.08
	Gains (losses) from changes in fair value	55	**(4,578,501.76)**	1,020,354.15
	Gains on credit impairment	56	**8,038,640.63**	71,532,046.19
	Asset impairment losses	57	**(202,280,611.18)**	(356,220,611.54)
	Losses on disposal of assets	58	**(90,854,201.76)**	(65,984,014.24)
II.	**Operating profit**		**1,079,887,169.34**	1,130,158,182.88
	Add: Non-operating income	59	**5,298,491.64**	4,730,625.24
	Less: Non-operating expenses	60	**4,949,916.63**	6,380,288.33
III.	**Total profit**		**1,080,235,744.35**	1,128,508,519.79
	Less: Income tax expense	61	**87,626,851.95**	112,378,810.76
IV.	**Net profit**		**992,608,892.40**	1,016,129,709.03
	(1) Classification by operating continuity			
	1. Net profit from continuing operations		**992,608,892.40**	1,016,129,709.03
	(2) Classification by ownership attribution			
	1. Net profit attributable to shareholders of the parent company		**980,574,130.35**	1,006,602,737.08
	2. Profit or loss attributable to minority interests		**12,034,762.05**	9,526,971.95
V.	**Other comprehensive income, net of tax**		**(114,332,412.18)**	(37,666,895.80)
	(I) Other comprehensive income, net of tax attributable to the owners of the parent company		**(113,919,949.85)**	(37,666,895.80)
	Other comprehensive income that will be reclassified to profit or loss		**(113,919,949.85)**	(37,666,895.80)
	1. Exchange differences on foreign currency financial statements translation		**(113,919,949.85)**	(51,575,055.55)
	2. Changes in fair value of financing receivables		**–**	13,908,159.75
	(II) Other comprehensive income, net of tax attributable to minority interests		**(412,462.33)**	–
VI.	**Total comprehensive income**		**878,276,480.22**	978,462,813.23
	Total comprehensive income attributable to shareholders of the parent company		**866,654,180.50**	968,935,841.28
	Total comprehensive income attributable to the minority interests		**11,622,299.72**	9,526,971.95
VII.	**Earnings per share:**			
	(1) Basic earnings per share	62	**0.42**	0.43
	(2) Diluted earnings per share	62	**0.42**	0.43

The notes are an integral part of the financial statements.

The financial statements on pages 61 to 72 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Income Statement of the Parent Company

For the year ended 31 December 2025

RMB

Items		NOTE (XV)	Amount incurred in the current year	Amount incurred in the last year
I.	**Operating revenue**	4	**3,843,333,215.96**	4,251,930,895.15
	Less: Operating costs	4	**3,212,641,330.07**	3,784,769,979.54
	Taxes and surcharges		**34,888,362.66**	44,735,886.11
	Selling expenses		**28,841,894.87**	30,284,761.96
	Administrative expenses		**158,522,505.18**	158,034,115.65
	Research and development expenses		**123,266,730.83**	180,873,829.03
	Financial expenses		**294,928,939.34**	266,010,818.12
	Including: Interest expenses		**294,931,634.08**	323,060,740.74
	Interest income		**26,739,970.69**	32,446,392.03
	Add: Other income		**43,951,802.05**	38,256,383.52
	Investment income	5	**56,813,060.23**	704,655,738.85
	Including: Gains on investment in associates		**16,091,238.89**	10,183,139.18
	Gains (losses) from changes in fair value		**(2,960,192.52)**	1,368,380.79
	Gains (losses) on credit impairment		**(7,230,452.19)**	19,462,100.02
	Asset impairment loss		**(16,882,610.44)**	(9,352,380.43)
	Gains (losses) on disposal of assets		**28,271,453.18**	(65,553,128.73)
II.	**Operating profit**		**92,206,513.32**	476,058,598.76
	Add: Non-operating income		**2,940,878.15**	969,021.73
	Less: Non-operating expenses		**631,994.17**	4,363,370.91
III.	**Total profit**		**94,515,397.30**	472,664,249.58
	Less: Income tax expenses		**12,211,981.00**	(20,123,092.09)
IV.	**Net profit**		**82,303,416.30**	492,787,341.67
V.	**Other comprehensive income, net of tax**		**–**	4,968,086.42
	Other comprehensive income that will be classified into profit or loss		**–**	4,968,086.42
	1. Changes in fair value of receivables financing		**–**	4,968,086.42
VI.	**Total comprehensive income**		**82,303,416.30**	497,755,428.09

The notes are an integral part of the financial statements.

The financial statements on pages 61 to 72 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Consolidated Statement of Cash Flow

For the year ended 31 December 2025

RMB

		NOTE (VI)	Amount incurred in the current year	Amount incurred in the last year
I.	**Cash flow from operating activities:**			
	Cash received from sale of goods or rendering of services		**11,112,964,068.15**	13,856,443,348.60
	Cash received from refunds of taxes		**116,242,383.19**	231,733,241.57
	Cash received relating to other operating activities	63(1)	**262,634,520.29**	377,659,741.30
	Subtotal of cash inflows		**11,491,840,971.63**	14,465,836,331.47
	Cash paid for goods and services		**6,658,236,186.07**	6,312,793,813.31
	Cash paid to and on behalf of employee		**876,263,947.73**	958,183,779.01
	Cash paid for payments of taxes and surcharges		**586,733,819.78**	675,853,831.27
	Cash paid relating to other operating activities	63(1)	**459,493,061.73**	605,804,352.99
	Subtotal of cash outflows		**8,580,727,015.31**	8,552,635,776.58
	Net cash flow from operating activities	64(1)	**2,911,113,956.32**	5,913,200,554.89
II.	**Cash flow from investing activities:**			
	Cash received from disposal of investments	63(2)	**5,266,797,352.00**	3,092,908,133.65
	Cash received from returns on investments		**16,793,632.61**	43,447,396.47
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**80,069,970.35**	10,534,012.37
	Cash received relating to other investing activities	63(2)	**964,976,238.04**	288,574,963.32
	Subtotal of cash inflows		**6,328,637,193.00**	3,435,464,505.81
	Cash paid to purchase fixed assets, intangible assets and other long-term assets		**2,879,537,781.50**	4,885,974,011.27
	Cash paid for investments	63(2)	**5,312,577,061.50**	3,811,642,169.83
	Net cash paid for acquisition of subsidiaries and other operating units		**81,771,062.05**	–
	Cash paid relating to other investing activities	63(2)	**978,465,590.12**	289,087,898.05
	Subtotal of cash outflows		**9,252,351,495.17**	8,986,704,079.15
	Net cash flow from investing activities		**(2,923,714,302.17)**	(5,551,239,573.34)
III.	**Cash flow from financing activities:**			
	Cash received from borrowings		**5,276,188,255.80**	7,936,639,231.55
	Cash received relating to other financing activities	63(3)	**1,176,167,085.12**	2,467,167,862.10
	Subtotal of cash inflows		**6,452,355,340.92**	10,403,807,093.65
	Cash paid for payment of borrowings		**5,989,347,209.16**	7,438,501,587.31
	Cash paid for distribution of dividends, and profits or payment of interest		**335,796,278.34**	1,571,204,254.24
	Cash paid relating to other financing activities	63(3)	**875,990,820.13**	2,739,189,627.26
	Subtotal of cash outflows		**7,201,134,307.63**	11,748,895,468.81
	Net cash flow from financing activities		**(748,778,966.71)**	(1,345,088,375.16)
IV.	**Effect of foreign exchange rate changes on cash and cash equivalents**		**(30,818,845.61)**	15,438,154.97
V.	**Net decrease in cash and cash equivalents**		**(792,198,158.17)**	(967,689,238.64)
	Add: Cash and cash equivalents at the beginning of the year	64(2)	**4,511,627,060.96**	5,479,316,299.60
VI.	**Cash and cash equivalents at the end of the year**	64(2)	**3,719,428,902.79**	4,511,627,060.96

The notes are an integral part of the financial statements.

The financial statements on pages 61 to 72 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Statement of Cash Flow of the Parent Company

For the year ended 31 December 2025

RMB

		Amount incurred in the current year	Amount incurred in the last year
I.	**Cash flow from operating activities:**		
	Cash received from sale of goods or rendering of services	**1,976,174,398.58**	2,242,212,265.57
	Cash received from refunds of taxes	**27,829,095.45**	10,062,016.23
	Cash received relating to other operating activities	**106,716,869.19**	115,282,541.55
	Subtotal of cash inflows	**2,110,720,363.22**	2,367,556,823.35
	Cash paid for goods and services	**545,900,777.59**	580,781,320.35
	Cash paid to and on behalf of employee	**301,037,185.62**	331,604,981.35
	Cash paid for payments of taxes and surcharges	**42,360,273.04**	137,874,912.67
	Cash paid relating to other operating activities	**106,146,909.14**	182,833,347.42
	Subtotal of cash outflows	**995,445,145.39**	1,233,094,561.79
	Net cash flow from operating activities	**1,115,275,217.83**	1,134,462,261.56
II.	**Cash flow from investing activities:**		
	Cash received from disposal of investments	**2,967,031,899.34**	1,918,000,000.00
	Cash received from returns on investments	**54,817,274.00**	684,442,599.67
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**45,372,209.53**	16,156,492.66
	Cash received relating to other investing activities	**5,470,474,177.95**	8,000,857,376.23
	Subtotal of cash inflows	**8,537,695,560.82**	10,619,456,468.56
	Cash paid to purchase fixed assets, intangible assets and other long-term assets	**192,017,689.88**	217,207,487.62
	Cash paid for investments	**2,895,902,190.00**	2,446,378,017.10
	Cash paid relating to other investing activities	**5,883,285,168.54**	7,173,805,659.65
	Subtotal of cash outflows	**8,971,205,048.42**	9,837,391,164.37
	Net cash flow from investing activities	**(433,509,487.60)**	782,065,304.19
III.	**Cash flow from financing activities:**		
	Cash received from borrowings	**3,151,358,400.00**	4,143,886,467.84
	Cash received relating to other financing activities	**490,676,773.24**	1,323,537,921.92
	Subtotal of cash inflows	**3,642,035,173.24**	5,467,424,389.76
	Cash paid for payment of borrowings	**3,002,396,840.02**	4,801,458,607.58
	Cash paid for distribution of dividends, and profits or payment of interest	**135,022,124.66**	1,340,147,667.27
	Cash paid relating to other financing activities	**1,234,951,734.04**	1,325,453,548.81
	Subtotal of cash outflows	**4,372,370,698.72**	7,467,059,823.66
	Net cash flow from financing activities	**(730,335,525.48)**	(1,999,635,433.90)
IV.	**Effect of foreign exchange rate changes on cash and cash equivalents**	**(5,630,207.60)**	2,561,719.81
V.	**Net decrease in cash and cash equivalents**	**(54,200,002.85)**	(80,546,148.34)
	Add: Cash and cash equivalents at the beginning of the year	**1,177,258,202.64**	1,257,804,350.98
VI.	**Cash and cash equivalents at the end of the year**	**1,123,058,199.79**	1,177,258,202.64

The notes are an integral part of the financial statements.

The financial statements on pages 61 to 72 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Consolidated Statement of Changes in Shareholders' Equity

For the year ended 31 December 2025

RMB

Items	The current year									
	Equity attributable to the owners of the parent company									
	Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Minority interests	Total shareholders' equity
I. Opening balance of the current year	585,729,891.25	491,724,696.36	10,700,692,654.16	229,499,392.17	(26,317,651.97)	68,241,880.14	293,915,529.38	9,814,310,237.19	85,363,031.69	21,784,160,876.03
II. Increase/decrease for the current year										
(I) Total comprehensive income	-	-	-	-	(113,919,949.85)	-	-	980,574,130.35	11,622,299.72	878,276,480.22
(II) Contribution of shareholders	(9,833.00)	(3,442.15)	4,971,635.85	72,357,215.30	-	-	-	-	(486,458.09)	(67,885,312.69)
1. Capital contributed by holders of other equity instruments	167.00	(3,442.15)	35,275.62	-	-	-	-	-	-	32,000.47
2. Amount of share-based payments recognized in owners' equity	-	-	5,641,382.14	(5,985,620.00)	-	-	-	-	-	11,627,002.14
3. Repurchase of shares	-	-	-	78,544,315.30	-	-	-	-	-	(78,544,315.30)
4. Cancellation of shares	(10,000.00)	-	(191,480.00)	(201,480.00)	-	-	-	-	-	-
5. Acquisition of minority equity	-	-	(513,541.91)	-	-	-	-	-	(486,458.09)	(1,000,000.00)
(III) Special reserve	-	-	-	-	-	16,972,210.04	-	-	-	16,972,210.04
1. Provision of special reserves	-	-	-	-	-	18,219,173.19	-	-	-	18,219,173.19
2. Utilisation of special reserves	-	-	-	-	-	(1,246,963.15)	-	-	-	(1,246,963.15)
III. Closing balance of the current year	585,720,058.25	491,721,254.21	10,705,664,290.01	301,856,607.47	(140,237,601.82)	85,214,090.18	293,915,529.38	10,794,884,367.54	96,498,873.32	22,611,524,253.60

The notes are an integral part of the financial statements.

The financial statements on pages 61 to 72 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Consolidated Statement of Changes in Shareholders' Equity

For the year ended 31 December 2025

RMB

Items	The last year									
	Equity attributable to the owners of the parent company									
	Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Minority interests	Total shareholders' equity
I. Opening balance of the current year	587,831,058.75	491,726,417.43	10,798,133,395.26	15,986,520.00	11,349,243.83	49,829,227.15	293,915,529.38	9,998,276,039.62	75,836,059.74	22,290,910,451.16
II. Increase/decrease for the current year										
(I) Total comprehensive income	–	–	–	–	(37,666,895.80)	–	–	1,006,602,737.08	9,526,971.95	978,462,813.23
(II) Contribution of shareholders	(2,101,167.50)	(1,721.07)	(97,440,741.10)	214,094,272.17	–	–	–	–	–	(313,637,901.84)
1. Contribution of capital by other equity instrument owners	82.50	(1,721.07)	18,413.86	–	–	–	–	–	–	16,775.29
2. Amount of share-based payment included in owners' equity	–	–	12,213,142.01	(6,742,700.00)	–	–	–	–	–	18,955,842.01
3. Repurchase of shares	–	–	–	332,610,519.14	–	–	–	–	–	(332,610,519.14)
4. Cancellation of shares	(2,101,250.00)	–	(109,672,296.97)	(111,773,546.97)	–	–	–	–	–	–
(III) Profit distribution	–	–	–	(581,400.00)	–	–	–	(1,190,568,539.51)	–	(1,189,987,139.51)
1. Appropriation to shareholders	–	–	–	(581,400.00)	–	–	–	(1,190,568,539.51)	–	(1,189,987,139.51)
(IV) Special reserve	–	–	–	–	–	18,412,652.99	–	–	–	18,412,652.99
1. Provision of special reserves	–	–	–	–	–	19,794,959.37	–	–	–	19,794,959.37
2. Utilization of special reserves	–	–	–	–	–	(1,382,306.38)	–	–	–	(1,382,306.38)
III. Closing balance of the current year	585,729,891.25	491,724,696.36	10,700,692,654.16	229,499,392.17	(26,317,651.97)	68,241,880.14	293,915,529.38	9,814,310,237.19	85,363,031.69	21,784,160,876.03

The notes are an integral part of the financial statements.

The financial statements on pages 61 to 72 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Statement of Changes in Shareholders' Equity of the Parent Company

For the year ended 31 December 2025

RMB

Items	The current year							
	Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Surplus reserve	Undistributed profit	Total shareholders' equity
I. Opening balance of the current year	**585,729,891.25**	**491,724,696.36**	**10,700,692,654.16**	**229,499,392.17**	**-**	**293,915,529.38**	**1,702,290,170.31**	**13,544,853,549.29**
II. Increase/decrease for the current year								
(I) Total comprehensive income	-	-	-	-	-	-	82,303,416.30	82,303,416.30
(II) Contribution and withdrawal of capital by shareholders	(9,833.00)	(3,442.15)	5,485,177.76	72,357,215.30	-	-	-	(66,885,312.69)
1. Capital contributed by holders of other equity instruments	167.00	(3,442.15)	35,275.62	-	-	-	-	32,000.47
2. Amount of share-based payments recognized in owners' equity	-	-	5,641,382.14	(5,985,620.00)	-	-	-	11,627,002.14
3. Repurchase of shares	-	-	-	78,544,315.30	-	-	-	(78,544,315.30)
4. Cancellation of shares	(10,000.00)	-	(191,480.00)	(201,480.00)	-	-	-	-
III. Closing balance of the current year	**585,720,058.25**	**491,721,254.21**	**10,706,177,831.92**	**301,856,607.47**	**-**	**293,915,529.38**	**1,784,593,586.61**	**13,560,271,652.90**

The notes are an integral part of the financial statements.

The financial statements on pages 61 to 72 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Statement of Changes in Shareholders' Equity of the Parent Company

For the year ended 31 December 2025

RMB

Items		The last year							
		Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Surplus reserve	Undistributed profit	Total shareholders' equity
I.	**Opening balance of the current year**	587,831,058.75	491,726,417.43	10,798,133,395.26	15,986,520.00	(4,968,086.42)	293,915,529.38	2,400,071,368.15	14,550,723,162.55
II.	**Increase/decrease for the current year**								
	(I) Total comprehensive income	–	–	–	–	4,968,086.42	–	492,787,341.67	497,755,428.09
	(II) Contribution and withdrawal of capital by shareholders	(2,101,167.50)	(1,721.07)	(97,440,741.10)	214,094,272.17	–	–	–	(313,637,901.84)
	1. Contribution of capital by other equity instrument owners	82.50	(1,721.07)	18,413.86	–	–	–	–	16,775.29
	2. Amount of share-based payment included in owners' equity	–	–	12,213,142.01	(6,742,700.00)	–	–	–	18,955,842.01
	3. Repurchase of shares	–	–	–	332,610,519.14	–	–	–	(332,610,519.14)
	4. Cancellation of shares	(2,101,250.00)	–	(109,672,296.97)	(111,773,546.97)	–	–	–	–
	(III) Profit distribution	–	–	–	(581,400.00)	–	–	(1,190,568,539.51)	(1,189,987,139.51)
	1. Appropriation to shareholders	–	–	–	(581,400.00)	–	–	(1,190,568,539.51)	(1,189,987,139.51)
III.	**Closing balance of the current year**	585,729,891.25	491,724,696.36	10,700,692,654.16	229,499,392.17	–	293,915,529.38	1,702,290,170.31	13,544,853,549.29

The notes are an integral part of the financial statements.

The financial statements on pages 61 to 72 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

(I) CORPORATE INFORMATION

1. Company Overview

Flat Glass Group Co., Ltd. (the "Company") was established on 24 June 1998 with its registered address at 1999 Yunhe Road, Xiuzhou District, Jiaxing, Zhejiang Province. On 29 December 2005, the Company was converted into a joint stock limited liability company and changed its name to Zhejiang Flat Glass & Mirror Co., Ltd.* (浙江福萊特玻璃鏡業股份有限公司). On 23 March 2011, the Company was renamed as Flat Solar Glass Group Co., Ltd.* (福萊特光伏玻璃集團股份有限公司) and subsequently renamed as Flat Glass Group Co., Ltd.* (福萊特玻璃集團股份有限公司) on 10 October 2014.

The principal activities of the Company and its subsidiaries (the "Group") are the manufacturing and sales of glass products, the mining and sale of quartz ore for glass production, and the construction of solar photovoltaic power stations as well as the sale of electricity.

2. Scope of the Consolidated Financial Statements

On 26 March 2026, the Company's company and consolidated financial statements have been approved by the Board of Directors of the Company.

(II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Basis of preparation

The Group has implemented the Accounting Standards for Business Enterprises and other relevant regulations issued by the Ministry of Finance (hereinafter referred to as the "CASBE") and has also disclosed relevant financial information in accordance with the Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No.15 – General Provisions on Financial Reporting (revised in 2023). In addition, the financial statements also include disclosures required by the Companies Ordinance and the Listing Rules of the Stock Exchange of Hong Kong.

Going concern

The Group has assessed the ability to continue as a going concern for a 12-month period since 31 December 2025 and is not aware of any events or conditions that may cast significant doubt upon the ability to continue as a going concern. So the financial statements have been prepared on a going concern basis.

* *for identification purpose only*

(II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

Basis of accounting and principle of measurement

The Group has adopted accrual basis for accounting measurement. Except some financial instruments are measured at fair value, the financial statements are based on historical cost. If the assets are impaired, corresponding provisions for impairment shall be made according to relevant regulations.

Under the historical cost convention, assets are measured at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of acquisition. Liabilities are measured according to the amount of payment or assets actually received due to the assumption of current obligations, or the contract amount of the current obligation, or in accordance with the amount of cash or cash equivalents expected to be paid in daily activities to meet liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using valuation technique. Fair value measured and disclosed in the financial statements are determined according to the above basis.

For financial assets that are initially recognized at fair value based on transaction price and subsequently measured at fair value using valuation techniques involving unobservable inputs, the valuation technique is calibrated in the valuation process to ensure that the initial recognition result determined by the valuation technique is equal to the transaction price.

The fair value measurement is divided into three levels based on the observability of the inputs of the fair value and the importance of the inputs to the fair value measurement as a whole:

- Level 1 inputs are the unadjusted quoted prices of the same assets or liabilities in the active market that can be obtained on the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the relevant asset or liability.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The Group has established specific accounting policies and estimates based on the actual characteristics of its production and operation, focusing on the methods and criteria for determining materiality standards, revenue recognition, depreciation of fixed assets, and amortization of intangible assets, among other matters. The detailed disclosures are as follows. The significant judgments and accounting estimates, along with their key assumptions, applied by the Group in confirming its important accounting policies are detailed in Note (III) 35.

1. Statement of Compliance with CASBE

The financial statements of the Company have been prepared in accordance with the CASBE, and present truly and completely the consolidated and the Company's financial position as at 31 December 2025 and the consolidated and the Company's results of operations, the consolidated and the Company's changes in shareholders' equity and the consolidated and the Company's cash flows in 2025.

2. Accounting Period

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

3. Operating Cycle

Operating cycle refers to the period from the purchase of assets used for processing to the realisation of cash or cash equivalents. The Group's operating cycle usually takes approximately 12 months.

4. Functional Currency

Renminbi ("RMB") is the currency in the primary economic environment in which the Company and its subsidiaries other than the Vietnam and Indonesia operate, The Company and its subsidiaries other than the Vietnam and Indonesia subsidiary use RMB as their functional currency. The Company's Vietnam subsidiary determines VND as its functional currency based on the currency in the primary economic environment in which it operates. The Company's Indonesia subsidiary determines IDR as its functional currency based on the currency in the primary economic environment in which it operates. The currency used by the Company in preparing the financial statements is RMB.

5. Significant Criteria Determination Method and Selection Basis

Items	Standards on materiality
Major construction in progress	The budget for an individual project is more than RMB100 million
Significant trade payables with ageing over 1 year	The amount for trade payables ageing over 1 year and more than RMB100 million
Major debt investment	The amount for an individual debt investment is more than RMB100 million
Major other equity investment	The amount for an individual other equity investment is more than RMB100 million

6. Accounting Treatment Methods of Business Combinations Involving Enterprises under Common Control and Business Combinations not Involving Enterprises under Common Control

Business combinations are classified into business combinations involving enterprises under common control and business combinations not involving enterprises under common control.

For transactions not under common control, the acquirer will consider whether to adopt the simplified judgment method of "concentration test" when judging whether the acquired combination constitute a business. If the combination passes the concentration test, it does not constitute a business. If the combination fails the concentration test, the judgment shall be made according to business conditions.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

6. Accounting Treatment Methods of Business Combinations Involving Enterprises under Common Control and Business Combinations not Involving Enterprises under Common Control (Continued)

6.1 Business combinations involving enterprises under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory.

Assets and liabilities acquired in a business combination are measured at their carrying amount of the combined party at the combination date. The difference between the carrying amount of the net assets acquired by the combining party and the carrying amount of the consideration paid for the combination (or the aggregate face value of the shares issued) is adjusted to share premium under capital reserve, if the share capital premium is insufficient to offset the difference, the retained earnings will be adjusted.

The costs that are directly attributable to the business combination are charged to profit or loss in the period in which they are incurred.

6.2 Business combinations not involving enterprises under common control and goodwill

A business combination not involving enterprises under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties both before and after the combination.

The cost of combination is measured at the aggregate of the fair values, at the acquisition date, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in exchange for control of the acquiree. The intermediary fees incurred by the acquirer in respect of auditing, legal services, valuation and consultancy services, etc. and other related administrative expenses attributable to the business combination are charged to profit or loss in the period in which they are incurred.

The identifiable assets, liabilities and contingent liabilities of the acquiree that meet the recognition conditions acquired by the acquirer in a business combination, are measured at their fair values at the acquisition date.

Where the cost of combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as an asset as goodwill and is initially measured at cost. Where the cost of combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer firstly reassesses the measurement of the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of combination. If after that reassessment, the cost of combination is still less than the acquirer's interest in the fair value of the acquiree's identifiable net assets acquired in the combination, the difference is recognised in profit or loss.

Goodwill occurred as a result of combination shall be recognised separately in the consolidated financial statements and measured at cost less accumulated impairment provision.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

7. Criterion of Control and Preparation of Consolidated Financial Statements

7.1 Criterion of control

Control refers to the power that the investor has over the investee; it means that the investor enjoys variable returns by taking part in the relevant activities of the investee and is capable of using its power over the investee to influence the amount of return. In case of changes in the relevant elements involved in the aforesaid definition of control as a result of the changes in facts and circumstance, the Group will conduct re-assessment.

7.2 Preparation of Consolidated Financial Statements

The scope of consolidation for the consolidated financial statements is determined based on control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

For a subsidiary disposed of by the Group, the operating results and cash flows before the date of disposal (the date when control is lost) are included in the consolidated income statement and consolidated statement of cash flows, as appropriate.

For a subsidiary acquired through a business combination not involving enterprises under common control, the operating results and cash flows from the acquisition date (the date when control is obtained) are included in the consolidated income statement and consolidated statement of cash flows, as appropriate.

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving enterprises under common control or the party being absorbed under merger by absorption are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the beginning of the earliest reporting period or from the date when they first came under the common control of the ultimate controlling party are included in the consolidated income statement and consolidated statement of cash flows, as appropriate.

The significant accounting policies and accounting periods adopted by the subsidiaries are determined in accordance with the Company's unified accounting policies and accounting periods.

The impact of internal transactions between the Company and its subsidiaries and among the subsidiaries on the consolidated financial statements is eliminated on consolidation.

The portion of a subsidiary's equity that is not attributable to the Company is treated as minority interests and presented as "minority interests" under shareholders' equity in the consolidated balance sheet. The portion of a subsidiary's net profit or loss for the period attributable to minority interests is presented as "profit or loss attributable to minority interests" under net profit in the consolidated income statement.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

7. Criterion of Control and Preparation of Consolidated Financial Statements (Continued)

7.2 Preparation of Consolidated Financial Statements (Continued)

When the amount of loss for the period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' portion in the opening balance of owners' equity of the subsidiary, the balance is still allocated against minority interests.

For transactions involving the acquisition of a non-controlling interest in a subsidiary, they shall be accounted for as equity transactions. The carrying amounts of the equity attributable to owners of the parent and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount of the adjustment to non-controlling interests and the fair value of the consideration paid shall be adjusted against capital reserve (capital surplus); if the capital reserve is insufficient to absorb the difference, the remaining amount shall be adjusted against retained earnings.

8. Classification of Joint Arrangements and Accounting Treatment Methods for Joint Operations

Joint arrangements are classified into either joint operations or joint ventures. Such classification is determined based on the rights and obligations of the parties to the joint arrangement by considering the structure, legal form and contractual terms of the arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets relating to the arrangement and obligations for the liabilities relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group's investments in joint ventures are accounted for using the equity method. For details, please refer to Note (III) "17.3.2. Long-term Equity Investments Accounted for Using the Equity Method".

The Group recognizes its share of jointly held assets pursuant to the joint operation arrangement, as well as assets that are held solely by the Group; recognizes its share of jointly assumed liabilities pursuant to the joint operation arrangement, as well as liabilities that are borne solely by the Group; recognizes revenue from the sale of its share of the output arising from the joint operation; recognizes its share of revenue from the sale of the output by the joint operation; recognizes expenses that are incurred solely by the Group, as well as its share of expenses incurred by the joint operation. The Group accounts for and recognizes assets, liabilities, revenues and expenses relating to the joint operation in accordance with the provisions applicable to the specific assets, liabilities, revenues and expenses.

9. Recognition Criteria of Cash and Cash Equivalents

Cash comprises cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are short-term (generally means due within three months from the date of purchase), highly liquid investments held by the Group that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

10. Translation of Foreign Currency Business and Financial Statements Denominated in Foreign Currency

10.1 Foreign currency business

Foreign currency transactions are translated at the spot exchange rate on the date of transaction at initial recognition.

At the balance sheet date, foreign currency monetary items are translated into RMB using the spot exchange rates at the balance sheet date. The exchange difference between the spot exchange rate on that date and the spot exchange rate on the initial recognition date or the previous balance sheet date shall be included in the current profit and loss.

Foreign non-monetary items measured at historical cost are still measured in the functional currency at the exchange rate on the transaction date. Foreign non-monetary items measured at fair value are translated at the exchange rate on the date when the fair value is determined. The difference between the translated functional currency amount and the original functional currency amount is treated as a fair value change (including exchange rate fluctuations) and is recognized in profit or loss for the period or as other comprehensive income.

10.2 Translation of foreign currency financial statements

For the purpose of preparing the consolidated financial statements, the foreign currency financial statements of overseas operations are translated into RMB financial statements using the following method: all assets and liabilities in the balance sheet are translated at the spot exchange rate at the balance sheet date; equity items converted at the spot exchange rate at the time of occurrence; all items in the income statement and items reflecting the amount of profit distribution are translated at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions; the difference between assets and the sum of liabilities and shareholders' equity after translation is recognised in other comprehensive income and included in shareholders' equity.

Cash flows arising from a transaction in foreign currency and the cash flows of a foreign subsidiary are translated at an exchange rate which approximates the spot exchange rate on the date of the cash flows. The effect of exchange rate changes on cash and cash equivalents is regarded as a reconciliation item and presented separately in the statement of cash flows as "effect of exchange rate changes on cash and cash equivalents".

The opening balances and the actual figures of prior year are presented at the translated amounts in the prior year's financial statements.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Financial Instruments

The Group recognises a financial asset or a financial liability when it becomes a party to a financial instrument contract.

Where financial assets are purchased or sold in a regular way, assets to be received and liabilities to be borne are recognised on the date of transaction, or assets sold are derecognised on the date of transaction.

Financial assets and financial liabilities are initially measured at fair value (for the determination method of the fair value of financial assets and financial liabilities, see the relevant disclosures of the accounting basis and cost principles in Note II). For financial assets and financial liabilities at fair value through profit or loss, the related transaction costs are directly recognised in profit or loss in the period in which they are incurred. For other categories of financial assets and financial liabilities, the related transaction costs are included in the initially recognised amount. When the Group initially recognises receivables that do not contain a significant financing component or do not consider the financing component in a contract not exceeding one year in accordance with the Accounting Standards for Business Enterprises No. 14 – Revenue (the "Revenue Standard"), the Group initially measures the receivables at the transaction price as defined in the Revenue Standard.

Effective interest rate method is the method that is used in the calculation of the amortised cost of a financial asset or a financial liability and in the allocation and recognition of the interest revenue or interest expense in profit or loss over the relevant period.

The effective interest rate is the rate that discounts estimated future cash flows through the expected duration of a financial asset or a financial liability to the carrying amount of the financial asset or to the amortised cost of the financial liability. In determining the effective interest rate, the expected cash flow is estimated on the basis of all contractual terms of the financial asset or financial liability (such as early repayment, extension, call options or other similar options, etc.) without taking into account the expected credit loss.

The amortised cost of a financial asset or a financial liability is the amount initially recognised for a financial asset or a financial liability net of principal repaid, plus or less the cumulative amortised amount arising from amortisation of the difference between the amount initially recognised and the amount at the maturity date using the effective interest method, net of cumulative loss allowance (only applicable to financial assets).

11.1 Classification, recognition and measurement of financial assets

Subsequent to initial recognition, the Group's financial assets of various categories are subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL").

If the contractual terms of the financial asset stipulate that the cash flows generated on a specific date are solely payments of the principal and the interest on the principal amount outstanding and the financial asset is managed by the Group in a business model aimed at collecting contractual cash flows, the Group shall classify the financial asset into the financial asset measured at amortised cost. Such financial assets mainly include cash and bank balances, bills receivable and receivables, other receivables, bank certificates of deposit in other current assets and debt investment, etc.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Financial Instruments (Continued)

11.1 Classification, recognition and measurement of financial assets (Continued)

If the contractual terms of the financial asset stipulate that the cash flows generated on a specific date are solely payments of the principal and the interest on the principal amount outstanding and the financial asset is managed by the Group in a business model aimed at both collecting contractual cash flows and selling such financial assets, the Group shall classify the financial asset into the financial asset at FVTOCI. Such financial assets with a term exceeding one year from the date of acquisition are classified as other debt investments. These financial assets were classified as bills receivable at fair value through other comprehensive income when obtaining, and presented under receivables financing.

The Group's purpose of holding the financial assets is for trading if one of the following conditions is satisfied:

- The purpose of acquiring the financial assets is to sell the assets in the near future.
- The relevant financial assets are part of a portfolio of identified financial instruments that are centrally managed on initial recognition, and there is objective evidence of actually a recent short-term profit-taking model.
- The relevant financial assets are derivatives, except for derivatives defined under financial guarantee contracts and derivatives designated as effective hedging instruments.

Financial assets at FVTPL include financial assets classified as at FVTPL and financial assets designated as at FVTPL.

- Financial assets that do not meet the classification criteria for financial assets at amortised cost or financial assets at FVTOCI are classified as financial assets at FVTPL.
- On initial recognition, the Group may irrevocably designate a financial asset as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Except for derivative financial assets, financial assets at FVTPL are presented as held-for-trading financial assets.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Financial Instruments (Continued)

11.1 Classification, recognition and measurement of financial assets (Continued)

11.1.1 Financial assets measured at amortised cost

Financial asset at amortised cost is subsequently measured at amortised cost using the effective interest method. Gains or losses arising from derecognition, impairment or amortisation are recognised in profit or loss.

The Group recognises interest income on financial assets measured at amortised cost using the effective interest method. For purchased or originated financial assets without credit impairment but with credit impairment incurred in subsequent periods, the Group calculates and determines its interest income based on amortised cost of the financial asset and the effective interest rate in subsequent periods. If the credit risk of the financial instrument improves in subsequent periods and the financial instrument is no longer credit impaired and the improvement can be linked to an event occurring after the application of the above requirements, the Group will determine the interest income based on the effective interest rate multiplied by the carrying amount of the financial assets.

11.1.2 Financial assets classified as at FVTOCI

Except for impairment losses or gains related to financial assets at FVTOCI, interest income calculated using the effective interest method and exchange gains and losses are recognised in profit or loss, changes in fair value of the financial assets are recognised in other comprehensive income. The amount of the financial assets included in profit or loss for each period shall be equal to the amount deemed as measured at amortised cost and included in profit or loss for each period. Upon derecognition of the financial assets, cumulative gains or losses previously recognised in other comprehensive income are transferred and reclassified into profit or loss for the period.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Financial Instruments (Continued)

11.1 Classification, recognition and measurement of financial assets (Continued)

11.1.3 Financial assets at FVTPL

Financial assets at FVTPL shall be subsequently measured at fair value. Gains or losses from change in fair value and dividends and interest income related to such financial assets shall be recognised in profit or loss.

11.2 Impairment of financial instruments

The Group performs impairment accounting for financial assets measured at amortised cost and financial assets at FVTOCI based on expected credit losses ("ECL") and recognises loss allowance.

The Group measures the loss reserves of all commercial acceptance, bills receivable and trade receivable formed due to the income standard in accordance with the amount equivalent to lifetime ECL.

For other financial instruments, at each balance sheet date, the Group assesses changes in credit risk of relevant financial instruments since initial recognition. If the credit risk on the financial instrument has increased significantly since initial recognition, the Group measures its loss allowance at an amount equal to lifetime ECL of the financial instrument. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to next 12-month ECL of the financial instrument. Except for financial assets measured at FVTOCI, the increased or reversed amount of credit loss provision shall be included in profit and loss for the period as impairment loss or gain. The Group recognises credit loss provision for financial assets at FVTOCI in other comprehensive income and recognises loss/gain on impairment in profit or loss for the period, without reducing the carrying amount of the financial assets presented in the balance sheet.

The Group measured loss allowance at an amount equal to the lifetime ECL of the financial instruments in the previous accounting period. However, as at the balance sheet date for the current period, for the above financial instruments, due to failure to qualify as significant increase in credit risk since initial recognition, the Group measures loss allowance for the financial instrument at an amount equal to next 12-month ECL at the balance sheet date for the current period, and the relevant reversal amount of loss allowance is included in profit or loss for the current period as an impairment gain.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Financial Instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.1 Significant increase in credit risk

The Group uses reasonable and supportable forward-looking information that is available to determine whether the credit risk of a financial instrument has increased significantly since initial recognition by comparing the risk of a default occurring on the financial instrument as at the balance sheet date with the risk of a default occurring on the financial instrument as at the date of initial recognition.

The Group will take the following factors into consideration when assessing whether the credit risk has significantly increased:

(1) Whether the external market indicators of credit risk for the same financial instrument or similar financial instruments with same expected life have changed significantly. These indicators include: the duration and extent to which the fair value of financial assets is less than their amortized cost, and other market information related to the borrower (such as changes in the prices of the borrower's debt or equity instruments).

(2) Whether the debtor's internal credit rating is actually lowered or is expected to be lowered.

(3) Adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its debt obligations.

(4) Whether the actual or expected operating results of the debtor has changed significantly.

(5) Whether the regulatory, economic or technological environment in which the debtor is located has undergone significant adverse changes.

As at the balance sheet date, if the Group judges that the financial instrument solely has lower credit risk, the Group will assume that the credit risk of the financial instrument has not significantly increased since initial recognition. If the default risk of a financial instrument is low, and the borrower is highly capable of meeting its contract cash flow obligations in short term, the financial instrument is considered to have a lower credit risk even if there is a negative change in the economic situation and operating environment over a longer period of time, but it may not necessarily reduce the borrower's performance of its contract cash obligations.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Financial Instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.2 Credit impaired financial assets

A financial asset is credit impaired when one or more events that have an adverse impact on the estimated future cash flows of the financial asset occurred. Evidence that a financial asset is credit impaired includes the following observable information:

(1) Significant financial difficulty of the issuer or the debtor;

(2) The debtor breaches the contract, such as default or overdue on interest or principal payment;

(3) The creditor, for economic or contractual reasons relating to the financial difficulties of the debtor, granted to the debtor a concession that the creditor would not otherwise consider;

(4) The debtor is likely to enter bankruptcy or other financial reorganisation;

(5) The active market for the financial asset disappeared due to the financial difficulties of the issuer or the debtor.

Based on the Group's internal credit risk management, the Group considers an event of default occurs when information proposed internally or obtained externally indicates that the debtor of the financial instrument is unable to pay its creditors (including the Group) in full (without taking into account any guarantees obtained by the Group).

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Financial Instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.3 Determination of ECL

The Group determines ECL of relevant financial instruments according to the following methods:

- For financial assets, the credit loss shall be the present value of the difference between the contractual cash flow to be received by the Group and the expected cash flow to be received.

- As for the financial assets with credit impairment occurred on the balance sheet date but not purchased or generated, the credit loss is the difference between the book balance of the financial assets and the present value of the estimated future cash flow discounted at the original effective interest rate.

The factors reflected in the Group's methods of measuring ECL of financial instruments include: the unbiased probability weighted average amount determined by evaluating a series of possible results; the time value of money; the reasonable and supportable information about past events, current situation and future economic situation forecast that is available without undue costs or efforts on the balance sheet date.

11.2.4 Write-down of financial assets

When the Group no longer reasonably expects that the contractual cash flow of the financial assets can be recovered in whole or in part, the book balance of the financial assets shall be written down directly. Such write down constitutes derecognition of related financial assets.

11.3 Transfer of financial assets

A financial asset is derecognised when one of the following conditions is met: (1) the contractual rights to receive the cash flows from the financial asset expire; (2) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset has been transferred to the transferee; or (3) the financial asset has been transferred, although the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, it does not retain control over the financial asset.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Financial Instruments (Continued)

11.3 Transfer of financial assets (Continued)

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, it retains control of the financial asset, it recognises the financial asset to the extent of its continuing involvement in the transferred financial asset and recognises the related liability accordingly. The Group measures the related liabilities in the following ways:

- If the transferred financial asset is measured at amortised cost, the carrying amount of the related liability is the carrying amount of the continuing involvement in the transferred financial asset less the amortised cost of the rights retained by the Group (if the Group retains the rights due to the transfer of the financial asset) plus the amortised cost of the obligations assumed by the Group (if the Group assumes the obligations due to the transfer of the financial asset), and the related liability is not designated as financial liability at FVTPL.

- If the transferred financial asset is measured at fair value, the carrying amount of the related liability is the carrying amount of the continuing involvement in the transferred financial asset less the fair value of the rights retained by the Group (if the Group retains the rights due to the transfer of the financial asset) plus the fair value of the obligations assumed by the Group (if the Group assumes the obligations due to the transfer of the financial asset), the fair value of the rights and the obligations shall be the fair value at the time of measurement on an independent basis.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between the carrying amount of the financial asset transferred on the date of derecognition and the sum of the consideration received from the transfer and any cumulative gain or loss that has been previously recognised in other comprehensive income is recognised in profit or loss for the period. While regarding non-trading equity instrument investment designated as at FVTOCI by the Group, cumulative gains or losses previously recognised in other comprehensive income are transferred and included in retained earnings.

If part of the transferred financial asset satisfies the derecognition criteria, the carrying amount of the financial asset as a whole is allocated between the part that is derecognised and the part that continues to be recognised, based on the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised and any cumulative gain or loss allocated to the part derecognised that has been previously recognised in other comprehensive income is recognised in profit or loss. If the transferred financial asset is the non-tradable equity instrument investment designated as at FVTOCI, cumulative gain or loss that has been recognised in other comprehensive income should be removed from other comprehensive income but be recognised in retained earnings.

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group will continuously recognise the transferred financial asset in its entirety. Considerations received should be recognised as a financial liability.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Financial Instruments (Continued)

11.4 Classification and measurement of financial liabilities and equity instruments

Financial instruments or their constituent parts issued by the Group are classified into financial liabilities or equity instruments on initial recognition on the basis of the substance of the contractual terms and the economic nature but not only its legal form, together with the definition of financial liabilities and equity instruments.

11.4.1Classification, recognition and measurement of financial liabilities

Upon initial recognition, financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities.

11.4.1.1 Financial liabilities at FVTPL

Financial liabilities at fair value through profit and loss include held-for-trading financial liabilities (including derivatives that are financial liabilities) and financial liabilities designated as at FVTPL. In addition to the derivative financial liabilities listed separately, financial liabilities at FVTPL are listed as transactional financial liabilities.

The Group's purpose of undertaking the financial liabilities is for trading if one of the following conditions is satisfied:

- The purpose of undertaking relevant financial liabilities is mainly for the recent repurchase.
- The relevant financial liabilities are part of a portfolio of identified financial instruments that are centrally managed on initial recognition, and there is objective evidence of actually a recent short-term profit-taking model.
- The relevant financial liabilities are derivatives, except for derivatives defined under financial guarantee contracts and derivatives designated as effective hedging instruments.

The Group may designate, on initial recognition, a financial liability as at FVTPL if one of the following conditions is satisfied: (1) such designation eliminates or significantly reduces an accounting mismatch; (2) manage and evaluate the financial liability portfolio or the portfolio of financial assets and financial liabilities at fair value based on the risk management or investment strategy as stated in the official written documents of the Group, and report to key management of the Group internally; or (3) a qualified hybrid contract containing embedded derivatives.

Held-for-trading financial liabilities are subsequently measured at fair value, and any gains or losses arising from changes in fair value and dividends or interest expenses paid on the financial liabilities are recognised in profit or loss for the period.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Financial Instruments (Continued)

11.4 Classification and measurement of financial liabilities and equity instruments (Continued)

11.4.1 Classification, recognition and measurement of financial liabilities (Continued)

11.4.1.1 Financial liabilities at FVTPL (Continued)

For financial liabilities designated at fair value through profit or loss, changes in the fair value of such financial liabilities arising from changes in the Group's own credit risk are recognised in other comprehensive income and changes in other fair values are recognised in profit or loss in the current period. On de-recognition of the financial liability, the cumulative change in fair value attributable to changes in own credit risk previously recognised in other comprehensive income is transferred to retained earnings. Dividends or interest expenses related to these financial liabilities are recognised in profit or loss for the period. If the treatment of the effects of changes in the own credit risk of such financial liabilities as described above would cause or enlarge an accounting mismatch in profit or loss, the Group recognises the entire gain or loss on such financial liabilities (including the amount of the effect of changes in own credit risk) in profit or loss for the period.

11.4.1.2 Other financial liabilities

Other financial liabilities other than financial liabilities arising from the transfer of financial assets that do not qualify for derecognition or continuing involvement in the transferred financial assets and financial guarantee contracts are classified as financial liabilities at amortised cost and subsequently measured at amortised cost, with gains or losses arising from derecognition or amortisation recognised in profit or loss for the period.

When the Group and a counterparty modify or renegotiate a contract that does not result in derecognition of a financial liability subsequently measured at amortised cost but result in changes in contractual cash flows, the Group recalculates the carrying amount of the financial liability and recognises any related gains or losses in profit or loss for the period. In recalculating the financial liability, the Group determines the carrying amount of the renegotiated or modified contractual cash flows at the present value discounted at the original effective interest rate of the financial liability. For all costs or expenses incurred in connection with the modification or renegotiation of a contract, the Group adjusts the modified carrying amount of the financial liability and amortises it over the remaining period of the modified financial liability.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Financial Instruments (Continued)

11.4 Classification and measurement of financial liabilities and equity instruments (Continued)

11.4.2 Derecognition of financial liabilities

The Group derecognises a financial liability (or part of it) only when the underlying present obligation (or part of it) is discharged. Where an agreement between the Group as borrower and lender is signed to replace the original financial liability and the contractual terms of the new financial liability and the original financial liability are substantially different, the Group derecognised the original financial liability and recognised the new financial liability.

On derecognition of a financial liability in its entirety or partially, the difference between the carrying amount of the part derecognised and the consideration paid (including any non-cash asset transferred or new financial liability assumed) is recognised in profit or loss for the period.

11.4.3 Equity instruments

Equity instruments are any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued (including refinancing), repurchased, sold or cancelled by the Group are treated as changes in equity. Changes in fair value of equity instruments is not recognised by the Group. Transaction costs related to equity transactions are deducted from equity.

The Group recognises the distribution to holders of the equity instruments as profit distribution, dividends paid do not affect total amount of shareholders' equity.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Financial Instruments (Continued)

11.5 Derivative instruments and embedded derivatives

Derivative instruments including forward foreign exchange contracts, foreign exchange swap contract, interest rate swap contracts and foreign exchange option contract, etc. Derivatives are initially measured at fair value on the signing dates of the relevant contracts and subsequently measured at fair value.

For a hybrid contract containing embedded derivatives and a host contract, if the host contract belongs to a financial asset, the Group will not separate the embedded derivatives from the hybrid contract, but will apply the requirements of accounting standards on the classification of financial assets to the hybrid contract as a whole.

11.6 Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in balance sheet when the Group has a legally enforceable right to set off the recognised financial assets and financial liabilities, and the Group intends to settle with net amount, or realise the financial asset and settle the financial liability simultaneously. Otherwise, the financial assets and financial liabilities will be presented separately in balance sheet and will not be mutually set off.

11.7 Convertible bonds

The convertible bonds issued by the Group which contain liabilities and conversion options, shall be split upon initial recognition and recognised separately. Of which, conversion options for settlement of fixed amount of cash or other financial assets in exchange for fixed amount of self-equity instruments is accounted for as equity instruments.

On initial recognition, the fair value of the liability portion is determined at current market prices similar to those of bonds without conversion options. The difference between the overall issue price of convertible bonds and the fair value of the liability portion shall be taken as the value of the conversion options of the bondholders to convert the bonds into equity instruments and recorded in other equity instruments.

In the subsequent measurement, the liability portion of convertible bonds are measured at amortised cost using the effective interest rate method. The value of the conversion option divided into equity instruments continues to be retained in the equity instruments. No loss or gain is incurred when a convertible bond expires or is converted.

The transaction costs incurred in issuing convertible bonds shall be apportioned between the liability component and the equity component according to their respective fair value. Transaction costs related to the equity component are directly recorded in the equity instruments; transaction costs related to the liability component are recorded in the carrying amount of the liability and amortised over the term of the convertible bonds using the effective interest rate method.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

12. Bills receivable

12.1 Portfolio category and determination method of provisions for bad debt assessed collectively by credit risk characteristics

The Group classifies bills receivable into different groups based on common credit risk characteristics:

Category	Determination basis
Low risk	Bank acceptance bills portfolio commercial acceptance bills portfolio issued by a related party
Normal	Other bills receivable portfolio except low-risk category

The common credit risk characteristics adopted by the Group include the credit ratings of the accepting banks, the credit risk ratings of the debtors, and the delinquency status, etc.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

13. Trade receivables

13.1 Portfolio category and determination method of provisions for bad debt assessed collectively by credit risk characteristics

The Group divides the trade receivables into low risk, normal and concerned based on common risk characteristics. The common credit risk characteristics adopted by the Group include: historical bad debt records, instances of default or delayed payments, the credit history of relevant customers; etc. The Group uses an impairment matrix to determine the credit losses for each portfolio. The aging of accounts receivable is calculated from the date of revenue recognition.

13.2 Judgment standard of provisions for bad debt assessed individually

The Group classifies those accounts receivable for which there is objective evidence indicating that the amounts will not be collected in accordance with the original terms as impaired and assesses the credit risk individually to determine the credit losses.

14. Financing receivables

14.1 Portfolio category and determination method of provisions for bad debt assessed collectively by credit risk characteristics

The Group divides the trade receivables based on common risk characteristics. The common credit risk characteristics adopted by the Group include credit rating of accepting bank, overdue status, etc.

15. Other receivables

15.1 Judgment standard of provisions for bad debt assessed individually

The expected credit losses of other receivables are determined based on individual assets.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

16. Inventories

16.1 Classification of inventories, pricing delivered, inventory system, amortization method for low-value consumables

16.1.1 Classification of inventories

The Group's inventories mainly include raw materials, low-value consumables, works in progress and finished goods, etc. Inventories are initially measured at cost, which comprises purchase costs, processing costs and other expenses incurred in bringing the inventories to their current location and condition.

16.1.2 Pricing of inventories delivered

The actual cost of inventories upon delivery is calculated using the weighted average method.

16.1.3 Inventory system

The inventory system is a perpetual inventory system.

16.1.4 Amortisation of low-value consumables

Low-value consumables are amortised using one-off write-off method.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

16. Inventories (Continued)

16.2 Determination and provision for impairment of inventories

At the balance sheet date, inventories are measured at the lower of cost and net realisable value. If the net realisable value is below the cost of inventories, a provision for impairment of inventories is made.

Net realisable value is the estimated selling price of inventories in the ordinary course of business less the estimated costs to completion, estimated selling expenses and related taxes. Net realisable value of inventories is determined on the basis of clear evidence obtained, taking into account the purpose of holding inventories and the effect of events after the balance sheet date.

Provision for impairment of inventories is made based on the excess of cost over net realisable value of individual inventory item.

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

17. Long-term Equity Investments

17.1 Basis of determination of joint control and significant influence

For details of basis of determination of control, please refer to Note (III)7. Joint control is the agreed sharing of control over an arrangement, such that decisions about the relevant activities of that arrangement require the unanimous consent of the parties sharing control. Significant influence refers to the power to participate in the decision-making of the financial and operational policies of the investee, but cannot control or jointly control the formulation of these policies with other parties. In determining whether it is possible to exercise control over or exert significant influence over the invested entities, it has taken into account the potential voting right factors such as the current convertible bonds and the current executable warrants of the invested entities held by the investor and other parties.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

17. Long-term Equity Investments (Continued)

17.2 Determination of initial investment cost

For a long-term equity investment acquired through a business combination involving enterprises under common control, the initial investment cost is the attributable share of the carrying amount of the owners' equity of the acquiree in the consolidated financial statements of the ultimate controlling party at the date of combination. The difference between the initial investment cost of a long-term equity investment and the carrying amount of cash paid, non-cash assets transferred and liabilities assumed is adjusted to capital reserve. If the capital reserve is insufficient to offset the difference, the retained earnings shall be adjusted.

For a long-term equity investment acquired through a business combination not involving enterprises under common control, the initial investment cost is the combination cost at the date of acquisition.

The intermediary expenses incurred by the acquirer or purchaser in respect of auditing, legal services, valuation and consultancy services, etc. and other related administrative expenses attributable to the business combination are recognised in profit or loss in the period in which they are incurred.

The long-term equity investment acquired other than through a business combination is initially measured at its cost.

17.3 Subsequent measurement and recognition of profit or loss

17.3.1 Long-term equity investments accounted for using the cost method

Long-term equity investments in subsidiaries are accounted for using the cost method in the financial statements of the Company. A subsidiary is an investee that is controlled by the Group.

Long-term equity investments accounted for using the cost method are measured at initial investment cost. When additional investment is made or the investment is recouped, the cost of the long-term equity investment is adjusted accordingly. The current investment income is recognised in accordance with the cash dividends or profit distributions declared by the investee.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

17. Long-term Equity Investments (Continued)

17.3 Subsequent measurement and recognition of profit or loss (Continued)

17.3.2 Long-term equity investment accounted for by equity method

The Group's investments in associates and joint ventures are accounted for using the equity method. An associate is an investee over which the Group has significant influence. A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement.

When adopting equity method accounting, the initial investment cost of the long-term equity investment shall not be adjusted for the initial investment cost of a long-term equity investment is greater than the share of the fair value of the investee's identifiable net assets that shall be enjoyed according to investment; the difference shall be included in the current period's profit and loss, and the cost of the long-term equity investment shall be adjusted at the same time for the initial investment cost is less than the share of the fair value of the investee's identifiable net assets that shall be enjoyed with the investment.

When adopting equity method accounting, the investment income and other comprehensive income shall be recognised separately according to the share of net profit or loss and other comprehensive income realised by the invested entity, and the carrying amount of long-term equity investment shall be adjusted at the same time; the carrying amount of long-term equity investment shall be reduced accordingly by calculating the portion to be enjoyed according to the profit or cash dividend declared by the invested entity; the carrying amount of long-term equity investment shall be adjusted and included in the capital reserve for other changes in the owner's rights and interests of the invested entity except net profit or loss, other comprehensive income and profit distribution. When recognising the share of the net profit or loss of the invested entity, the net profit of the invested entity shall be adjusted and recognised on the basis of the fair value of the identifiable assets of the invested entity at the acquisition date. For transactions between the Group and associates, joint ventures, the assets invested or sold do not constitute business, and the unrealised gains and losses of internal transactions are offset by the shareholding attributable to the Group. On this basis, the investment gains and losses are recognised. However, the unrealised internal transaction losses between the Group and the invested entity shall not be offset if they belong to the impairment losses of the transferred assets.

The Group discontinues recognising its share of net losses of the invested entity after the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of its net investment in the invested entity is reduced to zero. In addition, if the Group has incurred obligations to assume additional losses of the invested entity, estimated liability is recognised according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the invested entity, the Group resumes recognising its share of those profits only after its share of the profits exceeds the share of losses previously not recognised.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

17. Long-term Equity Investments (Continued)

17.4 Disposal of long-term equity investments

On disposal of a long-term equity investment, the difference between the carrying amount and the actual purchase price is recognised in profit or loss for the period.

18. Investment Properties

Investment properties are properties held for the purpose of earning rentals or capital appreciation, or both. Investment properties include leased land use rights, land use rights held and prepared for transfer after appreciation, buildings leased out, etc.

Investment properties are initially measured at cost. Subsequent expenditures related to an investment property shall be included in cost of investment property only when the economic benefits associated with the asset will likely flow to the Group and its cost can be measured reliably. All other subsequent expenditures on an investment property shall be included in profit or loss for the current year when incurred.

The Group adopts the cost model for subsequent measurement of investment properties, and is depreciated using the straight-line method over their estimated useful lives. The depreciation methods, depreciation period, residual value rate and annual depreciation rate of each investment properties is as follows:

Class	Depreciation Method	Depreciation Period (Years)	Residual Value Rate (%)	Annual Depreciation Rate (%)
Houses and buildings	Straight-line depreciation	20	5	4.75
Land use rights	Straight-line depreciation	50	0	2.00

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals.

When an investment property is sold, transferred, retired or damaged, the amount of any proceeds on disposal of the property net of the carrying amount and related taxes is recognised in profit or loss for the period.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

19. Fixed Assets

19.1 Conditions of recognition

Fixed assets are tangible assets that are held for use in the production of goods or supply of services, for rental to others, or for administrative purposes and have a useful life of more than one accounting year. A fixed asset is recognised only when the economic benefits associated with the asset are probable to flow to the Group and the cost of the asset can be measured reliably. Fixed assets are initially measured at cost.

Subsequent expenditures incurred for a fixed asset are included in the cost of the fixed asset if it is probable that the economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably, and the carrying amount of the replaced part is derecognised. Other subsequent expenditures other than the above are charged to profit or loss for the current period when incurred.

19.2 Depreciation methods

Fixed assets are depreciated using the straight-line method over their estimated useful lives from the next month when they are available for intended use. The depreciation method, depreciation period, estimated residual value rates and annual depreciation rates of each class of fixed assets are as follows:

Class	Depreciation Method	Depreciation Period (Years)	Residual Value rate (%)	Annual Depreciation Rate (%)
Houses and buildings	Straight-line depreciation	20–25	0–5	3.80–5.00
Machinery and equipment	Straight-line depreciation	4–20	0–5	4.75–25.00
Transportation equipment	Straight-line depreciation	4–15	0–5	6.33–25.00
Other equipment	Straight-line depreciation	3–10	0–5	9.50–33.33

Estimated net residual value of a fixed asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

19. Fixed Assets (Continued)

19.3 Other description

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognised. When a fixed asset is sold, transferred, retired or damaged, the amount of any proceeds on disposal of the asset net of the carrying amount and related taxes is recognised in profit or loss for the period.

The Group reviews the useful life, estimated net residual value of a fixed asset and the depreciation method applied at least at each financial year-end, and any change is accounted for as a change in accounting estimate.

20. Construction in Progress

Construction in progress is measured at actual cost, which includes various construction expenditures incurred during the construction period, capitalised borrowing costs before the construction is ready for its intended use and other relevant costs. Construction in progress is not depreciated.

Construction in progress is transferred to fixed asset while it is ready for its intended use. The standards and time points for various construction in progress carried forward to fixed assets are as follows:

Class	The standard and time point of carried forward to fixed assets
Houses and buildings	Time point of meeting the relevant construction acceptance standards
Machinery and equipment, transportation equipment and other equipment	Time point of meeting the design requirements or standards under the contract after installation and commissioning

21. Borrowing Costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised when expenditures for the asset are being incurred, borrowing costs are being incurred and activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced. The capitalisation of qualifying assets under construction or production ceases when the assets are ready for their intended use or sale. The remaining borrowing costs are recognised as expenses in the period in which they are incurred.

Where funds are borrowed under a special borrowing, the amount to be capitalised is the actual interest expense incurred on that borrowing for the period less any interest income earned from depositing the unused borrowing funds into bank or any investment income on the temporary investment of those funds. Where funds are borrowed under a general borrowing, the amount capitalised is determined by applying the weighted average of the excess amounts of cumulative expenditures on the asset over the special borrowings multiplied by the capitalisation rate of the general borrowings used. The capitalisation rate is determined based on the weighted average interest rate of the general borrowings. During the capitalisation period, the exchange differences on special foreign currency borrowings are all capitalised; the exchange differences on general-purpose foreign currency borrowings are recognised in profit or loss for the period.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

22. Intangible Assets

22.1 Useful life and determination basis, estimate, amortization method or review procedure

Intangible assets include software, pollutant discharge rights, mining rights, land use rights, energy consumption rights and maritime right of use, etc.

The intangible assets shall be initially measured at cost. When an intangible asset with a finite useful life is available for use, its original cost less net residual value and any accumulated impairment losses is amortised over its estimated useful life using the straight-line method. Intangible assets are not amortised while their useful lives are assessed to be indefinite. The amortisation method, useful life and estimated net residual value rate of each class of intangible assets are as follows:

Class	Amortisation method	Useful life and determination basis (Years)	Residual value rate (%)
Land use rights	Straight line method	40-50 years, legal right to use	0
Pollutant discharge rights	Straight line method	3-20 years, estimated useful life	0
Mining rights	Output method	–	0
Software	Straight line method	4-10 years, estimated useful life	0
Maritime right of use	Straight line method	50 years, Legal right to use	0
Energy consumption rights	Intangible assets with an indefinite useful life are not amortised		

At the end of the year, the useful life and amortisation method of intangible assets with finite useful lives are reviewed and adjusted if necessary.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

22. Intangible Assets (Continued)

22.2 Collection scope and relevant accounting treatment of R & D expenses

Expenditures incurred in the research stage are recognised in profit or loss for the period.

Expenditures incurred in the development stage are recognised as intangible assets only when all of the following conditions are satisfied, and the expenditures in the development stage that does not meet all of the following conditions are recognised in profit or loss for the period:

(1) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

(2) The intention to complete the intangible asset and use or sell it;

(3) The way in which the intangible asset generates economic benefits, including the ability to prove that there is a market for the product produced using the intangible asset or the intangible asset itself has a market, and prove its usefulness if the intangible asset will be used internally;

(4) Adequate technical, financial and other resources to complete the development of the intangible asset and to use or sell the intangible asset;

(5) The ability to measure reliably the expenditures attributable to the intangible asset during its development.

If the expenditures cannot be distinguished between the research stage and development stage, the Group recognises all of them in profit or loss for the period. The cost of the intangible asset formed by internal development activities only includes the total expenditure incurred from the time when the capitalisation conditions are met to the time when the intangible asset reaches the intended purpose. The expenditures that have been expensed into profit and loss before the capitalisation conditions are met for the same intangible asset in the development process will not be adjusted.

The scope of aggregation for R&D expenses includes the salaries, wages, and welfare expenses of personnel engaged in R&D activities, the consumption of materials in R&D activities, depreciation expenses of R&D equipment, and other related expenses.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

23. Impairment of Long-term Assets

The Group assesses at each balance sheet date whether there is any indication that long-term equity investments, investment properties, fixed assets, construction in progress measured using the cost method and intangible assets with finite useful lives may be impaired. If an impairment indication exists, the recoverable amount is estimated. Intangible assets with indefinite useful life and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that the assets may be impaired.

If the estimated recoverable amount of an asset is based on a single asset and it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of the asset group shall be determined on the basis of the asset group to which the asset belongs. The recoverable amount is the higher of an asset's or asset Group's fair value less costs of disposal and the present value of the estimated future cash flows.

If the recoverable amount of an asset is less than its carrying amount, a provision for impairment of the asset is made based on the difference and recognised in profit or loss for the period.

An impairment loss once recognised shall not be reversed in a subsequent accounting period.

24. Long-term Deferred Expenses

Long-term deferred expenses are expenses which have incurred but shall be amortised over the current period and subsequent periods of more than one year. Long-term deferred expenses are amortised evenly over the estimated benefit period.

25. Contract Liabilities

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. Contract assets and contract liabilities under common contract are presented on a net basis.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

26. Employee Compensation

26.1 Accounting for short-term employee compensation

In the accounting period in which an employee has rendered services, the Group recognises the short-term employee compensation actually incurred as liabilities, and includes in profit or loss for the period or related asset costs. The employee benefits expenses incurred by the Group are recognised in profit or loss for the period or related asset costs based on the actual amount when actually incurred. The nonmonetary employee benefits expenses are measured at fair value.

In determining the corresponding amount of employee compensation, social security contributions such as medical insurance, work injury insurance and maternity insurance and housing funds, as well as labour union running expenses and employee education expenses provided by the Group are calculated according to the prescribed provision bases and percentages during the accounting period in which the employees provide services to the Group, and the corresponding liabilities are recognised, and included in profit or loss for the period or related asset costs.

26.2 Accounting for post-employment benefits

Post-employment benefits are all defined contribution plans.

In the accounting period in which an employee has rendered service, the Group recognises the amount payable under the defined contribution plan as a liability, and includes in profit or loss for the period or related asset costs.

26.3 Accounting for termination benefits

When the Group provides termination benefits to employees, employee compensation liabilities arising from termination benefits are recognised in profit or loss at the earlier of the following dates: when the Group cannot unilaterally withdraw the termination benefits provided because of an employee termination plan or a layoff proposal, or when the Group confirms the costs or expenses related to the restructuring involving the payment of dismiss benefits.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

27. Provisions

Provisions are recognized when the Group has a present obligation relating to product quality assurance, mine geological environment protection and land reclamation, or other contingencies, and it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

On the balance sheet date, provision shall be measured at the best estimate of the expenditure for settling the current obligation, taking into account the risk and uncertainty and time value of money and other factors related to the contingencies. Where the effect of the time value of money is material, the best estimate of the expenditure is determined by discounting the expected future cash outflows.

28. Share-based Payments

The Group's share-based payments are transactions in which equity instruments are granted to employees in exchange for services rendered by employees or for the assumption of liabilities based on equity instruments. The Group's share-based payments are equity-settled share-based payments.

28.1 Equity settled share-based payments

Equity-settled share-based payments to employees

Equity-settled share-based payments to employees in exchange for services rendered by employees are measured at the fair value of the equity instruments granted to employees at the grant date. Such amount is recognised as related costs or expenses on a straight-line basis over the vesting period, based on the best estimate of the number of equity instruments expected to vest, with a corresponding increase in capital reserve.

At each balance sheet date during the pending period, the Group, based on the latest subsequent information such as the latest update on the change in the number of entitled employees, makes best estimates to adjust the expected number of equity instruments that can be vested. The effect of the above estimate is included in relevant costs or expenses for the period and the capital reserve is adjusted accordingly.

28.2 Accounting Treatment for Termination of Share-based Payment Plans

During the vesting period, if the granted equity instruments are cancelled, the Group shall treat the cancellation of the granted equity instruments as an accelerated vesting. The amount that would have been recognized over the remaining vesting period shall be recognized immediately in profit or loss for the current period, with a corresponding credit to capital reserve. If employees or other parties could choose to satisfy non-vesting conditions but fail to satisfy them during the vesting period, the Group shall treat such failure as a cancellation of the granted equity instruments.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

29. Revenue

29.1 Accounting policies used for revenue recognition and measurement by type of business

The Group's revenue is mainly derived from the sales of glass products, which mainly include photovoltaic glass, household glass, architectural glass, float glass, mining products and electricity, etc.

The Group recognises revenue based on the transaction price allocated to such performance obligation when a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. A performance obligation represents the commitment that a good and service that is distinct shall be transferred by the Group to the customer.

For domestic sales, the Group recognizes revenue when the goods are delivered to the agreed delivery location or when the buyer collects the goods by themselves, and the customer signs for receipt. For export sales, the Group recognizes sales revenue based on the timing of the transfer of control of the goods under different trade terms. Specifically: under the EXW (Ex Works) term, control of the product is transferred to the customer when the buyer's designated carrier picks up the goods, and the Group recognizes sales revenue at this point; under the FOB (Free on Board), CIF (Cost, Insurance, and Freight), and FCA (Free Carrier) terms, control of the product is transferred to the customer when the goods are cleared for export and pass over the ship's rail. The Group recognizes sales revenue at this point; under the DAP (Delivered at Place) terms, control of the product is transferred to the customer when the goods are delivered to the buyer's designated delivery location. The Group recognizes sales revenue at this point.

The transaction price refers to the amount of consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. This does not include amounts collected on behalf of third parties or amounts that the Group expects to refund to customers. In determining the transaction price, the Group considers factors such as variable consideration and amounts payable to customers.

If the quality assurance provided in a sales contract offers a separate service beyond ensuring that the goods or services meet established standards, it constitutes a distinct performance obligation. Otherwise, the Group accounts for the quality assurance liability in accordance with Accounting Standard for Business Enterprises No. 13 − Contingencies.

When the Group receives advance payments from customers for goods or services, it initially recognizes these amounts as liabilities. The amounts are subsequently recognized as revenue when the relevant performance obligations are fulfilled.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

30. Government Grants

Government grants are transfer of monetary assets and non-monetary assets from the government to the Group at no consideration. A government grant is recognised only when the Group can comply with the conditions attaching to the grant and the Group will receive the grant.

If a government grant is in the form of monetary asset, it shall be measured at the amount received or receivable.

30.1 Judgement basis and accounting treatment of government grants related to assets

For details, please see Note (VII) for the Group's government grants related to assets. Such grants are government grants as they related to fixed assets that were built or acquired.

A government grant related to assets is recognised as deferred income and included in current profit or loss over the useful life of the related asset using the straight-line method.

30.2 Judgement basis and accounting treatment of government grants related to revenue

Please refer to Note (VII) for details of the grants related to revenue of the Group. As they are directly related to the expenses incurred during the period, such government grants are government grants related to revenue.

A government grant related to revenue used to compensate for relevant costs, expenses and losses in subsequent periods is recognised as deferred income, and is included in profit or loss for the period directly over the periods in which the relevant costs, expenses or losses are recognised. The government grants related to revenue used to compensate for relevant costs, expenses or losses already incurred is included in profit or loss for the period directly.

The government grants related to the Group's daily activities are included in other income/offset the relevant costs and expenses according to the nature of economic business. Otherwise, government grants are included in non-operating income.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

31. Safety Production Expenses

Pursuant to the requirements of the Administrative Measures for the Withdrawal and Use of Safety Production Expenses of Enterprises issued by the Ministry of Finance and the State Administration of Work Safety, the Group has made provision for safety production expenses of RMB3 per ton based on the output of raw ore of open-pit non-metallic mines. The safety production expenses are specifically used for the improvement, transformation and maintenance of the Group's safety production conditions.

The provision for safety production expenses is directly included in the cost of the relevant products or the expenses for the period, and is presented separately in the "special reserve" item under the owners' equity. When safety production expenses is being used according to the prescribed scope, the expense expenditure is used to directly offset against "special reserve"; as for the capital expenditure, the expenditure incurred is firstly collected through "construction in progress" item and recognised as fixed assets when the safety project is completed and ready for its intended use; at the same time, the "special reserve" will be written down based on the cost of the fixed asset formed and the accumulated depreciation of the same amount will be recognised, no depreciation will be provided for the fixed assets in subsequent periods.

32. Deferred Income Tax Assets/Deferred Income Tax Liabilities

Income tax expenses comprise current income tax expense and deferred income tax expense.

32.1 Current income tax

At the balance sheet date, current income tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid (or recovered) according to the requirements of tax laws.

32.2 Deferred income tax assets and deferred income tax liabilities

For temporary differences between the carrying amount of certain assets or liabilities and their tax base, or between the carrying amount of those items that are not recognised as assets or liabilities but the tax base can be determined according to tax laws and their tax base, deferred income tax assets and deferred income tax liabilities are recognised using the balance sheet liability method.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

32. Deferred Income Tax Assets/Deferred Income Tax Liabilities (Continued)

32.2 Deferred income tax assets and deferred income tax liabilities (Continued)

Deferred income tax is generally recognised for all temporary differences. However, as for deductible temporary differences, deferred income tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. In addition, for temporary differences associated with the initial recognition of goodwill and the initial recognition of an asset or liability arising from a transaction (not a business combination) that affects neither the accounting profit nor taxable profit (or deductible loss) at the time of transaction and would not result in equal taxable temporary differences and deductible temporary differences, no deferred income tax asset or liability is recognised.

For deductible losses and tax credits in subsequent years that can be carried forward, deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible losses and tax credits can be utilised.

Deferred income tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets arising from deductible temporary differences associated with the investments in subsidiaries are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

At the balance sheet date, deferred income tax assets and deferred income tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled according to the requirements of tax laws.

Current and deferred income tax expenses or income are recognised in profit or loss for the period, except when they arise from transactions or events that are directly recognised in other comprehensive income or in shareholders' equity, in which case they are recognised in other comprehensive income or in shareholders' equity; and when they arise from business combinations, in which case they are adjusted to the carrying amount of goodwill.

The carrying amount of a deferred income tax asset is reviewed at each balance sheet date and is reduced to the extent that it is probable that sufficient taxable profits will not be available to offset the benefits of deferred income tax assets. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

32. Deferred Income Tax Assets/Deferred Income Tax Liabilities (Continued)

32.3 Offsetting of income tax

When the Group has a legal right to settle on a net basis and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously, current tax assets and current tax liabilities are offset and presented on a net basis.

When the Group has a legal right to settle current tax assets and liabilities on a net basis, and deferred income tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax assets and liabilities on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred income tax assets or liabilities are expected to be reversed, deferred income tax assets and deferred tax liabilities are offset and presented on a net basis.

33. Lease

Lease is defined as a contract that the lessor transfers the right-of-use of assets to the lessee within a certain period of time in exchange for consideration.

For a contract entered into or changed after the date of initial adoption, the Group assesses whether the contract is or contains lease on the commencement or changing date of the contract. The Group does not reassess unless the terms and conditions of the contract are changed.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

33. Lease (Continued)

33.1 The Group as lessee

33.1.1 Right-of-use assets

Except for short-term leases and leases of low value assets, the Group recognises right-of-use assets at the commencement date of the lease. The lease commencement date refers to the starting date for the lessor to provide leased assets for use by the Group. Right-of-use assets are initially measured at cost. Such cost includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less the relative amount of any lease incentives enjoyed if there are lease incentives;
- any initial direct costs incurred by the Group;
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms of the lease.

The Group accrues depreciation for the right-of-use assets according to the relevant depreciation regulations of Accounting Standards for Business Enterprises No. 4 − Fixed Assets. Right-of-use assets are depreciated within the remaining useful lives when the Group is reasonably certain to obtain the ownership of leased assets at the end of the lease term. The depreciation is provided during the period between the lease term and the remaining useful lives of the leased assets if it is not.

The Group determines whether the right-of-use assets are impaired and performs accounting treatment for recognised impairment loss according to the relevant regulations of Accounting Standard for Business Enterprise No. 8 − Impairment of Assets.

33.1.2 Lease liabilities

Except for short-term leases, the Group initially measures the lease liability at the present value of lease payments that are unpaid at the lease commencement date. In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease as discount rate, and adopts the incremental borrowing rate if the interest rate implicit in the lease is not readily determinable.

The lease payments refer to the amount paid by the Group to the lessor in relation to the right to use the leased asset during the lease term, including fixed payments and in-substance fixed payments.

The Group calculates the interest expense of lease liabilities for each period of the lease term at a fixed periodic interest rate and includes it in profit and loss for the period or related asset costs after the lease commencement date.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

33. Lease (Continued)

33.1 The Group as lessee (Continued)

33.1.3 The criteria and accounting methods for simplified treatment of short-term leases by the lessee

For short-term leases and low-value leases of machinery and equipment, the Group chooses the right-of-use assets and lease liabilities that are not certain to use. Short-term lease is defined as a lease has a lease term of no more than 12 months and excludes a purchase option from the lease commencement date. The Group will include the lease payments for short-term leases and leases of low value assets in profit or loss for the period or related asset costs using the straight-line method.

33.1.4 Lease Modification

If a lease is modified and the following conditions are met at the same time, the Group shall account for the lease modification as a separate lease:

- The modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- The consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

If a lease modification is not accounted for as a separate lease, on the effective date of the modification, the Group shall reallocate the consideration in the modified contract, redetermine the lease term, and remeasure the lease liability at the present value of the modified lease payments using a revised discount rate.

Where a lease modification results in a decrease in the scope of the lease or a shortening of the lease term, the Group shall reduce the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize any resulting gain or loss in profit or loss for the current period. For all other lease modifications that result in the remeasurement of lease liabilities, the Group shall make a corresponding adjustment to the carrying amount of the right-of-use asset.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

33. Lease (Continued)

33.2 The Group as lessor

33.2.1 The classification criteria and accounting methods for leases as a lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially almost all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

33.3 The Group as lessor under operating leases

The Group recognises lease payments for operating leases as rental income by using the straight-line method in each period of the lease term. Initial direct costs related to the Group's operating leases are capitalised when incurred, are allocated on the same basis as rental income over the lease term and are charged to profit or loss for the period in stages.

34. Other Significant Accounting Policies and Accounting Estimates

34.1 Accounting treatment in relation to the repurchase of shares of the Company

The consideration and transaction costs paid in a share repurchase reduce shareholders' equity and no gain or loss is recognised when the shares of the Company are repurchased, transferred or cancelled.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

35. Critical Judgements in Applying Accounting Policies and Key Assumptions and Uncertainties in Accounting Estimates

When using the accounting policies stated above, due to uncertainty of operating activities, the Group needs to make judgment, estimation and assumption on the book value of reporting items could not be calculated accurately. These judgments, estimation and assumptions are based on past experience of the Group's management while considering other related factors. The actual result may differ from the Group's estimation.

The Group regularly reviews the aforesaid judgment, estimation and assumption on the basis of continuous operation. Where the changes in accounting estimation only impact the current period, the impact shall be recognized during the current period; where such changes impact both the current and future period, the impact shall be confirmed during the current or future period when such changes occur.

At the balance sheet date, key assumptions and uncertainties in accounting estimates that are probable to cause a material adjustment to the carrying amount of assets and liabilities are mainly:

The provision for expected credit losses on accounts receivable

The Group's accounts receivable do not contain significant financing components. When assessing the provision for expected credit losses on accounts receivable, management needs to consider historical credit losses and incorporates forward-looking information, such as changes in the current external market environment and customer conditions, to review the provision amount of expected credit losses of account receivables. The Group regularly monitors and reviews the assumptions related to the calculation of expected credit losses.

Impairment of fixed assets

The management of the Group regularly reviews whether there are any indications of impairment for an individual fixed asset and recognises an asset impairment loss if the carrying amount of an asset is lower than its recoverable amount. The Group conducts impairment test on fixed assets whenever there is an indication that the fixed assets may be impaired. The recoverable amount is the higher of an asset's fair value less costs of disposal and the present value of its future cash flows. In determining the recoverable amount of fixed assets, the management of the Group has taken into account the estimated residual value to be recovered upon disposal. If the re-estimated recoverable amount is lower than the current estimate, the difference will affect the carrying amount of the asset.

Recognition of deferred income tax assets

The recognition of deferred income tax assets is mainly based on the actual future profits and deductible temporary differences available and the actual tax rates utilised in the upcoming years. In cases where the actual future profits generated and the deductible temporary differences are less than expected, or actual tax rates are less than expected, a reversal of deferred income tax assets recognised may arise, which would be recognised in the income statement for the period in which such a reversal takes place.

(IV) TAXATION

1. Major Types of Tax and Tax Rates

Tax type	Tax basis	Tax rate
Value-added tax (VAT)	Taxable value-added amount (the tax payable is calculated on the taxable sales amount multiplied by the applicable tax rate (output-VAT) less deductible input-VAT for the current period)	13%
Urban maintenance and construction tax	Turnover tax payment	7%
Education surcharge	Turnover tax payment	3%
Local educational surcharges	Turnover tax payment	2%
Property tax	The portion subject to tax based on rental income is levied at 12% of the rental income; the portion subject to tax based on property value is levied at 1.2% of the residual value of the property as approved by the tax authorities	12%; 1.2%
Resources tax	Amount of mining products sold	7%
Enterprise income tax (EIT)	Taxable income	25%
Environmental protection tax	Pollutant emissions	RMB1.2 or RMB1.4 per pollutant equivalent

(IV) TAXATION (Continued)

1. Major Types of Tax and Tax Rates (Continued)

Note on entities with different enterprise income tax rates:

Taxpayer Name	Income tax rate
The Company	15%
浙江嘉福玻璃有限公司Zhejiang Jiafu Glass Co., Ltd.*	15%
安徽福萊特光伏玻璃有限公司Anhui Flat Solar Glass Co., Ltd.*	15%
福萊特(香港)有限公司Flat (Hong Kong) Limited*	Note 1
嘉興福萊特新能源科技有限公司Jiaxing Flat New Energy Technology Co., Ltd.*	25% or 0%
福萊特(越南)有限公司Flat (Vietnam) Company Limited*	15%
福萊特(香港)投資有限公司Flat (Hong Kong) Investment Limited*	Note 1
鳳陽福萊特新能源科技有限公司Fengyang Flat New Energy Technology Co., Ltd.*	0%
福萊特(越南)進出口貿易有限公司Flat (Vietnam) Import and Export Trade Limited*	15%
浙江福來泰新能源有限公司及其子公司 Zhejiang Fulaitai New Energy Co., Ltd.* and its subsidiaries	25% or 0%
PT FLATSOLAR ENERGY INDONESIA	22%
FLAT SOLAR TECHNOLOGY PTE. LTD.	17%
PT FLATGLOBAL INVESTMENT INDONESIA	22%
FLAT INTERNATIONAL SOLAR TRADE PTE..LTD	17%

Note 1: Profit before tax not exceeding HK$2,000,000 (inclusive) is subject to a tax rate of 8.25%, while the portion of profit before tax exceeding HK$2,000,000 is subject to a tax rate of 16.5%.

* *for identification purpose only*

(IV) TAXATION (Continued)

2. Tax Preferences

The Company

On 19 December 2025, the Company obtained the "High Technology Enterprise Certificate" (No. GR202533009677) jointly approved by Department of Economy and Information Technology of Zhejiang Province, Zhejiang Provincial Department of Finance, Zhejiang Provincial Tax Service, State Taxation Administration for a valid period of three years, pursuant to which, the EIT rate of 15% is applied from 2025 to 2027.

Zhejiang Jiafu Glass Co., Ltd.

On 19 December 2025, Zhejiang Jiafu Glass Co., Ltd. obtained the "High Technology Enterprise Certificate" (No. GR202533004926) jointly approved by Department of Economy and Information Technology of Zhejiang Province, Zhejiang Provincial Department of Finance, Zhejiang Provincial Tax Service, State Taxation Administration for a valid period of three years, pursuant to which, the EIT rate of 15% is applied from 2025 to 2027.

Anhui Flat Solar Glass Co., Ltd.

On 16 October 2023, Anhui Flat Solar Glass Co., Ltd. obtained the "High Technology Enterprise Certificate" (No. GR202334000506) jointly approved by the Science and Technology Department of Anhui Province, Anhui Provincial Department of Finance, the State Taxation Bureau of Anhui Province and the Local Taxation Bureau of Anhui Province, for a valid period of three years, pursuant to which, the EIT rate of 15% is applied from 2023 to 2025.

Flat (Vietnam) Company Limited/ Flat (Vietnam) Import and Export Trade Limited

Pursuant to the Project Investment License approved by the Vietnam Haiphong Economic Zone Authority on 30 June 2016, Flat (Vietnam) Company Limited is exempted from EIT for four years commencing from the first profit-making year, followed by a 50% reduction in EIT for the next nine years. Flat (Vietnam) Company Limited has started to make profits since 2021.

On 8 October 2021, the Organisation for Economic Co-operation and Development (OECD) issued the "Pillar Two" implementation plan of new international tax rules. On 29 November 2023, the National Assembly of Vietnam passed the resolution in respect of the Pillar Two global minimum tax rules, which were effective from 1 January 2024. The global minimum tax rules will be implemented in 2024.

(IV) TAXATION (Continued)

2. Tax Preferences (Continued)

Fengyang Flat New Energy Technology Co., Ltd./ Zhejiang Fulaitai New Energy Co., Ltd.* and its subsidiaries/ Jiaxing Flat New Energy Technology Co., Ltd.

Pursuant to the Catalogue of Enterprise Income Tax Preferences for Public Infrastructure Projects, enterprises engaged in the investment and operation of national key-supported public infrastructure projects specified in the catalogue are exempt from enterprise income tax for the first three years and subject to a 50% reduction in enterprise income tax for the fourth to sixth years, starting from the tax year in which the first production and operation income is obtained. Fengyang Flat New Energy Technology Co., Ltd. is engaged in distributed photovoltaic power generation projects and obtained its first income eligible for the preferential treatment in 2024. Therefore, it is exempt from enterprise income tax from 2024 to 2026 and subject to a 50% reduction in enterprise income tax from 2027 to 2029. Subsidiaries of Zhejiang Fulaitai New Energy Co., Ltd. are engaged in distributed photovoltaic power generation projects and obtained its first income eligible for the preferential treatment in 2023. Therefore, it is exempt from enterprise income tax from 2023 to 2025 and subject to a 50% reduction in enterprise income tax from 2026 to 2028. Jiaxing Flat New Energy Technology Co., Ltd. is engaged in distributed photovoltaic power generation projects and obtained its first income eligible for the preferential treatment in 2024. Therefore, it is exempt from enterprise income tax from 2024 to 2026 and subject to a 50% reduction in enterprise income tax from 2027 to 2029.

(V) INTERESTS IN OTHER ENTITIES

1. Interests in Subsidiaries

The composition of the corporate group

Level	Name of subsidiary	Place of incorporation and business	Registered capital and currency	Nature of business	Shareholding and voting rights percentage (%) Direct	Indirect	Acquisition method
1	Zhejiang Flat Glass Co., Ltd.* (浙江福萊特玻璃有限公司) ("Zhejiang Flat")	Zhejiang, China – Domestic enterprise	RMB10,000,000.00	Engaged in the manufacture and sale of architectural or household glass products	100	–	Establishment
2	Zhejiang Jiafu Glass Co., Ltd.* (浙江嘉福玻璃有限公司) ("Zhejiang Jiafu")	Zhejiang, China – Domestic enterprise	RMB150,000,000.00	Manufacture and sale of photovoltaic glass	100	–	Establishment
2.1	Flat (Hong Kong) Investment Limited* (福萊特(香港)投資有限公司) (Flat (Hong Kong) Investment)	Hongkong, China – Domestic enterprise	HKD1,000,000.00	Investments	–	100	Establishment
3	Shanghai Flat Glass Co., Ltd.* (上海福萊特玻璃有限公司) ("Shanghai Flat")	Shanghai, China – Domestic enterprise	RMB70,000,000.00	Architectural glass processing	100	–	Establishment
4	Anhui Flat Solar Glass Co., Ltd. (安徽福萊特光伏玻璃有限公司) ("Anhui Flat Glass")	Anhui, China – Domestic enterprise	RMB2,500,000,000.00	Manufacture and sale of photovoltaic glass	100	–	Establishment
4.1	Fengyang Flat Natural Gas Pipeline Co., Ltd.* (鳳陽福萊特天然氣管道有限公司) (Fengyang Flat Pipeline)	Anhui, China – Domestic enterprise	RMB20,000,000.00	Installation and sales of natural gas pipelines	–	100	Establishment
4.2	Fengyang Flat New Energy Technology Co., Ltd.* (鳳陽福萊特新能源科技有限公司) ("Fengyang Flat New Energy")	Anhui, China – Domestic enterprise	RMB10,000,000.00	Investment, construction, operation and maintenance of new energy power plants	–	100	Establishment
4.3	Anhui Flat Supply Chain Management Co., Ltd.* (安徽福萊特供應鏈管理有限公司) (Flat Supply Chain)	Anhui, China – Domestic enterprise	RMB5,000,000.00	Supply chain management services	–	100	Establishment
4.4	Anhui Flat Solar Material Co., Ltd.* (安徽福萊特光伏材料有限公司) ("Anhui Flat Material")	Anhui, China – Domestic enterprise	RMB1,000,000,000.00	Mine operations and sale of quartz ore	–	100	Establishment
4.4.1	Anhui Sanli Mining Company Limited* (安徽三力礦業有限責任公司) ("Sanli Mining")	Anhui, China – Domestic enterprise	RMB170,000,000.00	Mine operations and sale of quartz ore	–	100	Acquisition
4.4.2	Fengyang Fusha Technology Co., Ltd.* (鳳陽福砂科技有限公司) ("Fengyang Fusha")	Anhui, China – Domestic enterprise	RMB1,000,000.00	Mine operations and sale of quartz ore	–	100	Establishment
4.5	Anhui Dahua Dongfang Mining Company Limited* (安徽大華東方礦業有限公司) ("Dahua Mining")	Anhui, China – Domestic enterprise	RMB50,000,000.00	Mine operations and sale of quartz ore	–	100	Acquisition

* *for identification purpose only*

(V) INTERESTS IN OTHER ENTITIES (Continued)

1. Interests in Subsidiaries (Continued)

The composition of the corporate group (Continued)

Level	Name of subsidiary	Place of incorporation and business	Registered capital and currency	Nature of business	Shareholding and voting rights percentage (%) Direct	Shareholding and voting rights percentage (%) Indirect	Acquisition method
5	Flat (Hong Kong) Limited* (福萊特(香港)有限公司) ("Flat (Hong Kong)")	Hongkong, China – Domestic enterprise	USD10,000,000.00	Glass export	100	–	Establishment
5.1	Flat (Vietnam) Company Limited ("Flat (Vietnam)")	Vietnam	VDN 1,752,800,000,000.00	Manufacture and sale of photovoltaic glass	–	100	Establishment
5.1.1	Flat (Vietnam) Import and Export Trade Limited* (福萊特(越南)進出口貿易有限公司) (Flat (Vietnam) Import and Export	Vietnam	VDN2,286,000,000.00	Import and export trade	–	100	Establishment
5.2	Zhejiang Fubo New Materials Co., Ltd.* (浙江福玻新材料有限公司) ("Zhejiang Fubo")	Zhejiang, China – Domestic enterprise	USD10,000,000.00	Production and sale of non-metallic mineral products	–	100	Establishment
6	Jiaxing Flat New Energy Technology Co., Ltd.*(嘉興福特新能源科技有限公司) ("Flat New Energy")	Zhejiang, China – Domestic enterprise	RMB10,000,000.00	Investment, construction, operation and maintenance of new energy power plants	100	–	Establishment
7	Flat (Jiaxing) Import and Export Trade Limited*(福萊特(嘉興)進出口貿易有限公司) ("Flat Import and Export")	Zhejiang, China – Domestic enterprise	RMB7,000,000.00	Import and export trade	100	–	Establishment
8	Flat (Nantong) Solar Glass Co., Ltd.* (福萊特(南通)光伏玻璃有限公司) ("Nantong Flat")	Jiangsu, China – Domestic enterprise	RMB400,000,000.00	Manufacture and sale of photovoltaic glass	36.125	63.875	Establishment
8.1	Nantong Flat Natural Gas Co., Ltd.* (南通福萊特天然氣有限公司) ("Nantong Natural Gas")	Jiangsu, China – Domestic enterprise	RMB10,000,000.00	Installation and sales of natural gas pipelines	–	100	Establishment
8.2	Nantong Yuantong Port Co., Ltd.* (南通遠通港務有限公司) ("Yuantong Port")	Jiangsu, China – Domestic enterprise	RMB50,000,000.00	Port operations	–	100	Acquisition
9	Shanghai Flat Technology Development Co., Ltd.* (上海福萊特科技發展有限公司) (Shanghai Flat Technology)	Shanghai, China – Domestic enterprise	RMB10,000,000.00	Research and development for new materials and technologies	100	–	Establishment
10	Jiaxing Flat Intelligent Equipment Co., Ltd.* (嘉興福萊特智能裝備有限公司) ("Flat Intelligent Equipment")	Zhejiang, China – Domestic enterprise	RMB30,000,000.00	Manufacturing and sales of intelligent equipment	96.41	3.59	Establishment

(V) INTERESTS IN OTHER ENTITIES (Continued)

1. Interests in Subsidiaries (Continued)

The composition of the corporate group (Continued)

Level	Name of subsidiary	Place of incorporation and business	Registered capital and currency	Nature of business	Shareholding and voting rights percentage (%) Direct	Indirect	Acquisition method
11	Jiaxing Kunlun Flat Energy Management Co., Ltd.*(嘉興崑崙福萊特能源管理有限公司) ("Flat Energy Management")	Jiangsu, China – Domestic enterprise	RMB10,000,000.00	Energy management	100	–	Establishment
12	Flat (Guangxi) Photoenergy Co., Ltd.* (福萊特(廣西)光能有限公司) ("Guangxi Flat")	Guangxi, China – Domestic enterprise	RMB100,000,000.00	Manufacture and sale of photovoltaic glass	100	–	Establishment
13	Flat Photoenergy Co., Ltd.* (福萊特光能有限公司) ("Flat Photoenergy")	Zhejiang, China – Domestic enterprise	RMB100,000,000.00	Development and sales of emerging energy technologies and equipment	100	–	Establishment
14	Zhejiang Fulaitai New Energy Co., Ltd.* (浙江福萊泰新能源有限公司) ("Fulaitai") and its subsidiaries	Zhejiang, China – Domestic enterprise	RMB400,000,000.00	PV module power generation and sales	82	–	Establishment, acquisition
15	Flat (Yibin) Photoenergy Co., Ltd.* (福萊特(宜賓)光能有限公司) ("Yibin Photoenergy")	Sichuan, China – Domestic enterprise	RMB100,000,000.00	Manufacturing and sale of non-metallic mineral products	100	–	Establishment
16	FLAT SOLAR TECHNOLOGY PTE. LTD. ("Singapore Flat")	Singapore	SGD10,000.00	Investment	100	–	Establishment
16.1	PT FLATSOLAR ENERGY INDONESIA ("Indonesia Flat")	Indonesia	IDR1,200,000,000,000.00	Manufacture and sale of photovoltaic glass	–	95	Establishment
16.2	PT FlatGlobal Investment Indonesia ("Indonesia Flat Investment")	Indonesia	IDR10,000,000,000.00	Investment	–	100	Establishment
17	Flat (Shanxi) Photoenergy Co. Ltd.* 福萊特(山西)光能有限公司 (Flat (Shanxi))	Shanxi, China – Domestic enterprise	RMB100,000,000.00	Manufacturing and sale of nonmetallic mineral products	100	–	Establishment
18	Jiaxing Fulian Logistics Co., Ltd.* (嘉興福聯物流有限公司) ("Fulin Logistics")	Zhejiang, China – Domestic enterprise	RMB2,000,000.00	Port operation and cargo handling and transportation	100	–	Establishment
19	Zhongda Quartz Development (Anhui) Group Co., Ltd.* (中達石英發展(安徽)集團有限公司) ("Zhongda Quartz")	Anhui, China – Domestic enterprise	RMB140,000,000.00	Mine operations and sale of quartz ore	100	–	Acquisition
20	FLAT INTERNATIONAL SOLAR TRADE PTE. LTD (Singapore Flat Trade)	Singapore	SGD1,000.00	Import and export trade	100	–	Establishment

Note: On November 10, 2025, the Company entered into an Equity Transfer Agreement with Anhui Flat Glass Materials and Zhongda Quartz, pursuant to which the Company acquired 100% equity interest in Zhongda Quartz held by Anhui Flat Glass Materials for RMB 132,800,000.00, with September 30, 2025 as the valuation base date. The equity transfer was completed on December 26, 2025.

(V) INTERESTS IN OTHER ENTITIES (Continued)

2. Interest in associates or joint ventures

Name of associates or joint ventures	Principal place of business and registration	Nature of business	Shareholding and voting rights percentage (%)	Accounting treatment method for investment in associates
JiaXing Kaihong Flat Supply Chain Management Co., Ltd.* (嘉興凱鴻福萊特供應鏈管理有限公司) and its subsidiaries ("Kaihong Flat")	Zhejiang, China	Transportation of goods	40.00	Equity method
Fengyang PetroChina Kunlun Gas Co., Ltd.* (鳳陽中石油昆侖燃氣有限公司) ("Kunlun Gas")	Anhui, China	Installation, sales and operation of natural gas pipelines	35.00	Equity method
Jiaxing Gas Group Co., Ltd.* (嘉興市燃氣集團股份有限公司) ("JiaXing Gas")	Zhejiang, China	Installation, sales and operation of natural gas pipelines	4.53	Equity method
Flat (Jiaxing) Energy Supply Chain Co., Ltd.* (福萊特(嘉興)能源供應鏈有限公司) ("Jiaxing Energy")	Zhejiang, China	wholesale and sales of chemicals	45.00	Equity method
PT Sky Brightness Metal Industry* (星空金屬) ("Sky Brightness Metal")	Indonesia	Power plant construction and operation	50.00	Equity method

Basis for holding less than 20% of voting rights but having significant influence:

The Group holds the equity interests of 4.53% in Jiaxing Gas, an H share listed company. The Group is entitled under the Articles of Association to appoint one non-executive director, and she is entitled to participate in its operation and financial decision-making. Therefore, the Group can exert significant influence on the operation and finance of Jiaxing Gas, and the accounting method for its equity investment is equity method.

(1) Financial information summary of insignificant associate

Unit: RMB

Items	Amount incurred in the current year	Amount incurred in the last year
Associates:		
Total invested book value	**187,979,762.05**	112,469,977.19
Listed total number calculated by shareholding percentage		
− Net profit	**23,620,234.79**	18,629,460.08
− Other comprehensive income	**–**	–
− Total comprehensive income	**23,620,234.79**	18,629,460.08

* *for identification purpose only*

(V) INTERESTS IN OTHER ENTITIES (Continued)

2. Interest in associates (Continued)

(2) There was no material restrictions on the ability of associates to transfer capital to the Group.

(3) The Group had no contingent liabilities relating to investment of associates.

3. Business combination not under common control

(1) Business combination not under common control this year

RMB

Name of the Acquiree	Acquisition Date	Cost of Equity Acquisition	Percentage of Equity Interest Acquired (%)	Method of Equity Acquisition	Basis for Determination of Acquisition Date	Revenue of the Acquiree from Acquisition Date to Period End	Profit or Loss of the Acquiree from Acquisition Date to Period End	Cash Flows of the Acquiree from Acquisition Date to Period End
Zhongda Quartz	29 May 2025	131,005,950.34	100	Cash Purchase	Control has been transferred	44,323,876.58	43,413,993.43	17,563,766.07

On 31 March 2025, the Company's wholly-owned subsidiary Anhui Flat Glass Materials Co., Ltd. entered into an Equity Transfer Agreement with Anhui Hengji Enterprise Management Co., Ltd., Zhongda Quartz, Chen Yong, and Qi Qingliang to acquire 100% equity interest in Zhongda Quartz. The equity transfer was completed and delivered on 29 May 2025. As of the equity purchase date, the appraised net assets of Zhongda Quartz amounted to RMB131,783,817.13. Based on the appraised value, the cash consideration paid by the Company was RMB131,005,950.34.

(V) INTERESTS IN OTHER ENTITIES (Continued)

3. Business combination not under common control (Continued)

(2) Merger consideration and goodwill

RMB

Merger consideration	Zhongda Quartz
– Cash	**131,005,950.34**
Total merger consideration	**131,005,950.34**
Less: share of fair value of identifiable net assets acquired	**131,783,817.13**
Amount by which cost of combination is less than share of fair value of identifiable net assets acquired	**777,866.79**

(V) INTERESTS IN OTHER ENTITIES (Continued)

3. Business combination not under common control (Continued)

(3) Identifiable assets and liabilities of the acquiree at the acquisition date

RMB

Items	Zhongda Quartz	
	Fair value at acquisition date	Carrying amount at acquisition date
Assets:		
Cash and cash equivalents	**3,861,308.15**	**3,861,308.15**
Notes receivable	**53,881,960.45**	**53,881,960.45**
Receivables	**111,841,081.10**	**111,713,335.42**
Prepayments	**35,322,482.27**	**35,322,482.27**
Other receivables	**6,551.94**	**6,551.94**
Inventories	**45,990,028.62**	**45,990,028.62**
Other current assets	**17,114,026.35**	**17,114,026.35**
Fixed assets	**309,325,554.60**	**289,407,497.39**
Intangible assets	**15,675,178.82**	**9,540,474.29**
Liabilities:		
Short-term borrowings	**27,258,277.40**	**27,258,277.40**
Payables	**204,642,316.92**	**204,642,316.92**
Employee compensation payables	**764,094.42**	**764,094.42**
Taxes payable	**455,582.81**	**455,582.81**
Other payables	**46,364,083.62**	**46,364,083.62**
Non-current liabilities due within one year	**65,200,000.00**	**65,200,000.00**
Long-term borrowings	**116,550,000.00**	**116,550,000.00**
Net assets	**131,783,817.13**	**105,603,309.71**
Net assets acquired	**131,783,817.13**	**105,603,309.71**

The Group appointed a professional and independent valuation firm to conduct an assessment of the fair value of the above-mentioned identifiable assets and liabilities.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash at Bank and on Hand

RMB

Items	Closing balance	Opening balance
Cash on hand：		
RMB	**18,255.64**	18,349.73
VND	**2,154,834.26**	–
Subtotal	**2,173,089.90**	18,349.73
Cash at bank：		
RMB	**2,250,936,606.07**	3,007,333,235.40
USD	**1,421,121,695.45**	1,434,712,210.27
Euro	**11,991,105.83**	52,110,729.91
Yen	**3,977,219.89**	3,484,169.58
HKD	**9,248,063.07**	10,045,775.18
AUD	**1,182,414.84**	1,182,566.09
Pound	**35,794.31**	34,779.06
VND	**12,603,574.45**	2,705,245.74
SGD	**111,191.68**	–
IDR	**5,132,689.13**	–
Swiss Franc	**915,458.17**	–
Subtotal	**3,717,255,812.89**	4,511,608,711.23
Other cash at bank and on hand：		
RMB	**295,030,768.95**	780,679,241.60
USD	**0.07**	2,587,824.07
Yen	**0.81**	0.83
Subtotal	**295,030,769.83**	783,267,066.50
Total	**4,014,459,672.62**	5,294,894,127.46
Including: total amount deposited abroad	**585,402,316.30**	246,525,286.58

Other notes:

Among other cash at bank and on hand of the Group at the end of the year, the restricted cash at bank and on hand amounted to RMB295,030,769.83 (at the end of the last year: RMB783,267,066.50), mainly including bill deposit, pledged bank deposit, futures and options margin, letter of credit margin, etc.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2. Trading Financial Assets

RMB

Items	Closing balance	Opening balance
Financial assets at fair value through profit or loss:		
Bank wealth management products	**480,000,000.00**	520,000,000.00
Equity instrument investment	**18,805.88**	18,576.54
Total	**480,018,805.88**	520,018,576.54

3. Derivative Financial Assets

RMB

Items	Closing balance	Opening balance
Derivative financial asset without specified hedging relationship	**1,656,645.00**	698,070.40
Including: Foreign exchange option contract	**730,006.04**	698,070.40
Foreign exchange swap contract	**926,638.96**	–
Total	**1,656,645.00**	698,070.40

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. Bills Receivable

(1) Bills receivable by category

RMB

Items	Closing balance	Opening balance
Bank acceptance bills	**914,940,755.15**	913,081,408.67
Commercial acceptance bills	**103,085,830.50**	196,595,868.15
Less: bad debt provision	**1,814,310.62**	3,460,087.28
Total	**1,016,212,275.03**	1,106,217,189.54

(2) At the end of the year, the Group had no bills receivable pledged.

(3) Bills receivable that have been endorsed or discounted by the Group at the end of the year but not yet due at the balance sheet date

RMB

Items	Amounts not derecognised at the end of the year	Amounts not derecognised at the beginning of the year
Endorsed bank acceptance bills	**521,361,034.99**	389,625,048.27
Discounted bank acceptance bills	**1,040,837.67**	8,886,467.84
Total	**522,401,872.66**	398,511,516.11

The above bills receivable that have been endorsed or discounted but not yet due at the balance sheet date have not been derecognised.

4. Bills Receivable (Continued)

(4) Disclosed by classification of bad debt provision method

RMB

	Closing balance				
	Book balance		Bad debt provision		
Classification	**Amount**	**Percentage (%)**	**Amount**	**Percentage (%)**	**Book value**
Bad debt provision by portfolio					
Including:					
Low risk	**914,940,755.15**	**89.87**	**–**	**–**	**914,940,755.15**
Normal	**103,085,830.50**	**10.13**	**1,814,310.62**	**1.76**	**101,271,519.88**
Total	**1,018,026,585.65**	**100.00**	**1,814,310.62**	**0.18**	**1,016,212,275.03**

RMB

	Opening balance				
	Book balance		Bad debt provision		
Classification	Amount	Percentage (%)	Amount	Percentage (%)	Book value
Bad debt provision by portfolio					
Including:					
Low risk	913,081,408.67	82.28	–	–	913,081,408.67
Normal	196,595,868.15	17.72	3,460,087.28	1.76	193,135,780.87
Total	1,109,677,276.82	100.00	3,460,087.28	0.31	1,106,217,189.54

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. Bills Receivable (Continued)

(4) Disclosed by classification of bad debt provision method (Continued)

Bills receivable with bad debt provision by portfolio

RMB

Name of portfolio	Closing balance Book balance	Closing balance Bad debt provision	Closing balance Percentage (%)	Opening balance Book balance	Opening balance Bad debt provision	Opening balance Percentage (%)
Low risk	**914,940,755.15**	**–**	**–**	913,081,408.67	–	–
Normal	**103,085,830.50**	**1,814,310.62**	**1.76**	196,595,868.15	3,460,087.28	1.76
Total	**1,018,026,585.65**	**1,814,310.62**	**0.18**	1,109,677,276.82	3,460,087.28	0.31

The Group considers that the bank acceptance bills it holds have low credit risk arising from bank default rating, therefore, expected credit loss is not material.

(5) Bad debt provision

RMB

Classification	Opening balance	Provision for the year (reversal)	Written off this year	Closing balance
Normal	3,460,087.28	(1,645,776.66)	–	**1,814,310.62**

5. Trade Receivables

(1) Disclosed by ageing:

Based on the revenue recognition date, the aging analysis of trade receivables is as follows:

RMB

	Closing balance				Opening balance			
Ageing	Book balance	Bad debt provision	Accrual percentage (%)	Book value	Book balance	Bad debt provision	Accrual percentage (%)	Book value
Within 1 year	**2,493,619,163.17**	**65,157,901.98**	**2.61**	**2,428,461,261.19**	2,657,945,848.14	64,795,341.02	2.44	2,593,150,507.12
1–2 years	**6,865,976.30**	**6,618,735.55**	**96.40**	**247,240.75**	13,341,820.99	11,238,111.63	84.23	2,103,709.36
2–3 years	**601,238.04**	**601,238.04**	**100.00**	**–**	1,748,061.11	1,748,061.11	100.00	–
Over 3 years	**18,476,468.50**	**18,476,468.50**	**100.00**	**–**	19,642,766.75	19,642,766.75	100.00	–
Total	**2,519,562,846.01**	**90,854,344.07**	**3.61**	**2,428,708,501.94**	2,692,678,496.99	97,424,280.51	3.62	2,595,254,216.48

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. Trade Receivables (Continued)

(2) Disclosed by classification of bad debt provision method:

RMB

	Closing balance				
	Book balance		Bad debt provision		
Items	**Amount**	**Percentage (%)**	**Amount**	**Percentage (%)**	**Book value**
Provision for bad debts calculated individually	**38,937,119.46**	**1.55**	**38,937,119.46**	**100.00**	**–**
Provision for bad debts calculated on a portfolio basis	**2,480,625,726.55**	**98.45**	**51,917,224.61**	**2.09**	**2,428,708,501.94**
Total	**2,519,562,846.01**	**100.00**	**90,854,344.07**	**3.61**	**2,428,708,501.94**

RMB

	Opening balance				
	Book balance		Bad debt provision		
Items	Amount	Percentage (%)	Amount	Percentage (%)	Book value
Provision for bad debts calculated individually	29,432,382.50	1.09	29,432,382.50	100.00	–
Provision for bad debts calculated on a portfolio basis	2,663,246,114.49	98.91	67,991,898.01	2.55	2,595,254,216.48
Total	2,692,678,496.99	100.00	97,424,280.51	3.62	2,595,254,216.48

5. **Trade Receivables** (Continued)

(2) Disclosed by classification of bad debt provision method: *(Continued)*

RMB

Category	Closing balance Expected average loss rate	Book balance	Provision for loss	Book value
Normal	**1.76%**	**2,425,202,757.90**	**42,683,568.54**	**2,382,519,189.36**
Concerned	**16.66%**	**55,422,968.65**	**9,233,656.07**	**46,189,312.58**
Total	**2.09%**	**2,480,625,726.55**	**51,917,224.61**	**2,428,708,501.94**

RMB

Category	Opening balance Expected average loss rate	Book balance	Provision for loss	Book value
Normal	1.76%	2,578,385,702.60	45,379,588.37	2,533,006,114.23
Concerned	26.65%	84,860,411.89	22,612,309.64	62,248,102.25
Total	2.55%	2,663,246,114.49	67,991,898.01	2,595,254,216.48

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. Trade Receivables (Continued)

(3) Changes in credit loss provision of trade receivables

RMB

Provision for bad debts	Provision for bad debts over the entire life of the receivables (Credit impairment that has not occurred yet)	Provision for bad debts over the entire life of the receivables (Credit impairment that has occurred)	Total
Balance at 1 January 2025	**67,991,898.01**	**29,432,382.50**	**97,424,280.51**
Transfer to the provision for bad debts with credit impairment that has occurred over the entire life of the receivables	**(9,681,809.43)**	**9,681,809.43**	**–**
Provision (reversal) for the year	**(6,392,863.97)**	**–**	**(6,392,863.97)**
Write-off for the year	**–**	**(177,072.47)**	**(177,072.47)**
Balance at 31 December 2025	**51,917,224.61**	**38,937,119.46**	**90,854,344.07**

(4) Accounts receivable actually written off this year

RMB

Item	Amounts written off
Accounts receivable actually written off	**177,072.47**

(5) Details of top five trade receivables with the closing balances classified by the borrowers:

At the end of the year, the top five trade receivables of the Group with the closing balances classified by the borrowers amounted to RMB1,094,929,242.07 (as at the end of the last year: RMB1,482,118,187.51), accounting for 43.46% (as at the end of the last year: 55.04%) of the total balance of trade receivables and the provision for credit losses of top five trade receivables amounted to RMB19,270,754.66 (as at the end of the last year: RMB26,085,280.10).

6. Financing receivables

RMB

Item	Closing balance	Opening balance
Bank acceptance bills	**1,124,553,338.33**	1,566,522,584.04

The Group has made classification on bank acceptance bills, and separately managed bank acceptance bills issued by banks with higher credit rating, so as to endorse or discount them when necessary. Since the business model of holding these specific bank acceptance bills aims at both collecting contractual cash flows and selling such financial assets, they are classified as financial assets at FVTOCI, and are listed as financing receivables.

The Group believes that there is no provision for credit loss, therefore, the expected credit loss is not material.

(1) Changes in fair value

RMB

Items	Closing balance	Opening balance
Cost	**1,124,553,338.33**	1,566,522,584.04
Fair value	**1,124,553,338.33**	1,566,522,584.04

(2) As of the end of this year, the Group has no bank acceptance bills that have been pledged.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

6. Financing receivables (Continued)

(3) Bank acceptance bills that have been endorsed or discounted by the Group at the end of the year but not yet due at the balance sheet date

RMB

Items	Amounts not derecognised at the end of the year	Amounts not derecognised at the beginning of the year
Endorsed bank acceptance bills	**1,491,887,018.28**	2,213,727,158.38
Discounted bank acceptance bills	**709,810,096.37**	546,396,462.85
Total	**2,201,697,114.65**	2,760,123,621.23

7. Advance Payments

(1) The ageing analysis of advance payments is as follows:

RMB

Ageing	Closing balance		Opening balance	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	**162,207,138.87**	**97.59**	44,112,612.04	82.72
1–2 years	**2,772,286.02**	**1.67**	7,376,085.39	13.83
2–3 years	**495,439.57**	**0.30**	566,462.00	1.06
Over 3 years	**731,865.58**	**0.44**	1,273,688.33	2.39
Total	**166,206,730.04**	**100.00**	53,328,847.76	100.00

At the end of the year, the Group had no advance payments with an ageing of more than one year and an important amount.

(2) Details of top five advance payments with the closing balances classified by the payees:

As at 31 December 2025 and 31 December 2024, the balances of top five advance payments were RMB138,361,339.55 and RMB37,448,135.80, respectively, representing 83.25% and 70.22% of the total balances of advance payments.

8. Other Receivables

RMB

Items	Closing balance	Opening balance
Other receivables	**97,757,698.58**	130,072,141.34
Total	**97,757,698.58**	130,072,141.34

(1) Disclosed by ageing

RMB

Ageing	Closing balance			Opening balance		
	Trade receivables	Bad debt provision	Accrual percentage (%)	Trade receivables	Bad debt provision	Accrual percentage (%)
Within 1 year	**28,043,602.91**	**-**	**-**	77,842,525.21	-	-
1–2 years	**52,352,217.85**	**-**	**-**	41,262,042.75	-	-
2–3 years	**11,158,387.78**	**-**	**-**	10,395,193.97	-	-
Over 3 years	**6,203,490.04**	**-**	**-**	572,379.41	-	-
Total	**97,757,698.58**	**-**	**-**	130,072,141.34	-	-

(2) Other receivables listed by classification by nature

RMB

Nature	Closing book value	Opening book value
Deposit、Margin	**67,845,425.95**	93,311,216.21
Reserve fund	**605,297.17**	625,948.61
Others	**29,306,975.46**	36,134,976.52
Total	**97,757,698.58**	130,072,141.34

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Other Receivables (Continued)

(3) Impairment of other receivables

Based on the nature of other receivables and after evaluation, the Group believes that other receivables have no significant risk of ECL. Therefore, there is no provision for credit loss.

(4) Other receivables had been actually written-off during the period

The Group had not written-off other receivables during the year.

(5) Details of top five other receivables with the closing balances classified by other receivables

RMB

Name	Nature	Book Balance	Provision for credit loss	Book value	Percentage of the other receivables(%)	Aging
CONG TY CO PHAN KHU CONG NGHIEP DINH VU	Margin	51,959,460.88	–	51,959,460.88	53.15	1-2 years
Zhengzhou Wanheng Kiln Engineering Co., Ltd. * (鄭州萬恒窯業工程有限公司)	Other	6,615,044.24	–	6,615,044.24	6.77	Within 1 year
DEEP C GREEN ENERGY VIỆT NAM COMPANY	Margin	5,091,906.78	–	5,091,906.78	5.21	Over 3 years
Wuxuan Baoxin Mining Co., Ltd.* (武宣寶鑫礦業有限公司)	Margin	5,000,000.00	–	5,000,000.00	5.11	2-3 years
Anhui Fengkuang Silica Sand Group Co., Ltd.* (安徽鳳礦硅砂集團有限公司)	Other	4,800,000.00	–	4,800,000.00	4.91	2-3 years
Total		73,466,411.90	–	73,466,411.90	75.15	

9. Inventories

(1) Inventories category

RMB

Items	Closing balance Book balance	Impairment provision	Book value
Raw materials	**540,827,777.30**	**7,895,761.36**	**532,932,015.94**
Low-valued consumables	**228,450,224.59**	**41,042,466.79**	**187,407,757.80**
Work in progress	**89,938,533.71**	**–**	**89,938,533.71**
Finished goods	**1,000,395,255.52**	**75,538,349.28**	**924,856,906.24**
Total	**1,859,611,791.12**	**124,476,577.43**	**1,735,135,213.69**

Items	Opening balance Book balance	Impairment provision	Book value
Raw materials	616,927,104.06	14,944,814.87	601,982,289.19
Low-valued consumables	262,185,755.96	36,012,426.12	226,173,329.84
Work in progress	110,116,887.78	–	110,116,887.78
Finished goods	846,081,398.76	51,522,426.77	794,558,971.99
Total	1,835,311,146.56	102,479,667.76	1,732,831,478.80

(2) Inventory impairment provision

RMB

Items	Opening balance	Provision (transfer)	Write off	Closing balance
Raw materials	14,944,814.87	7,895,761.36	14,944,814.87	**7,895,761.36**
Finished goods	51,522,426.77	55,298,549.87	31,282,627.36	**75,538,349.28**
Low-valued consumables	36,012,426.12	15,382,853.27	10,352,812.60	**41,042,466.79**
Total	102,479,667.76	78,577,164.50	56,580,254.83	**124,476,577.43**

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10. Non-current Assets Due Within One Year

RMB

Item	Closing balance	Opening balance
Debt investments due within one year	**140,576,000.00**	–

	Closing balance				Opening balance			
Item	Par Value	Nominal Interest Rate	Effective Interest Rate	Expiry date	Par Value	Nominal Interest Rate	Effective Interest Rate	Expiry date
Long-term fixed deposit certificates (Note)	20,000,000.00 USD	5.99%	5.99%	April 2026	-	-	-	-

Note: The above-mentioned fixed deposit certificates held by the Group are due to mature in April 2026 and have accordingly been presented as non-current assets maturing within one year at the year-end.

11. Other Current Assets

RMB

Items	Closing balance	Opening balance
Prepaid income tax	**29,392,144.05**	82,913,789.02
Value-added tax recoverable	**662,062,007.73**	432,813,161.36
Bank certificate of deposit (Note)	**377,653,709.50**	357,000,000.00
Export tax rebate	**1,661,428.61**	1,545,150.15
Prepaid rent	**688,073.38**	412,844.04
Prepaid import duties	–	2,515,500.35
Others	**5,941.98**	8,358.83
Total	**1,071,463,305.25**	877,208,803.75

Note: Time deposits of RMB202,000,000.00 were pledged as collateral to obtain bank credit facilities at the end of the year (as at the end of the last year: RMB207,000,000.00).

12. Debt Investment

(1) Debt Investment

RMB

Item	Closing balance			Opening balance		
	Book balance	**Impairment provision**	**Book value**	Book balance	Impairment provision	Book value
Long-term bank certificates of deposit (Note)	**126,000.00**	**–**	**126,000.00**	143,768,000.00	–	143,768,000.00

The Group is of the view that that the credit risk arising from long-term bank certificates of deposit held due to bank default is low and therefore no provision for credit losses has been made.

Note: The bank time deposits held by the Group will mature in April 2026 and are presented as non-current assets due within one year at the end of the current year. (See Note (VI)10)

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

13. Other Debt Investment

(1) Other debt investment situation

RMB

Item	Opening balance	Interest	Interest adjust	Fair value changes for the year	Closing balance	Cost	Accumulated fair value changes	Accumulated loss provisions recognized in other comprehensive income	Notes
Transferable large-denomination time deposits (Note)	223,712,827.25	6,665,041.10	-	-	290,377,868.35	283,393,073.83	-	-	

Note: The Group holds transferable large-denomination time deposits. Since the business model is aimed at both collecting contractual cash flows and selling the financial assets, these deposits are classified as financial assets measured at fair value with changes recognized in other comprehensive income, and are presented under other debt investments.

(2) Other significant debt investments at year-end

RMB

Item	Closing balance				Opening balance			
	Par value	Interest rate	Actual rate	Due date	Par value	Interest rate	Actual rate	Due date
Transferable large-denomination time deposits	220,000,000.00 60,000,000.00	2.50%、2.55% 1.90%	2.50%、2.55% 1.90%	March 2027 to May 2027 January 2028	220,000,000.00 -	2.50%、2.55% -	2.50%、2.55% -	March 2027 to May 2027 -

(3) The Group believes that the credit risk arising from bank default on the transferable large-denomination certificates of deposit it holds is low, and therefore no provision for credit losses has been made.

14. Long-term Equity Investments

RMB

Invested unit	Accounting method	Opening balance	Movement for the year: Capital contribution/ Additional investment	Movement for the year: Investment gains recognised under he equity method	Movement for the year: Declaration of cash dividend	Movement for the year: Provision for impairment recognized	**Closing balance**
Associate:							
Kaihong Flat	Equity method	29,345,769.04	–	16,091,238.89	–	–	**45,437,007.93**
Kunlun Gas	Equity method	10,500,000.00	–	–	–	–	**10,500,000.00**
JiaXing Gas (Note (V) 2)	Equity method	68,124,208.15	–	7,528,995.90	(2,476,649.93)	–	**73,176,554.12**
Jiaxing Energy	Equity method	4,500,000.00	–	–	–	(4,500,000.00)	**–**
Sky Brightness Metal	Equity method	–	58,866,200.00	–	–	–	**58,866,200.00**
Total		112,469,977.19	58,866,200.00	23,620,234.79	(2,476,649.93)	(4,500,000.00)	**187,979,762.05**

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

15. Investment Properties

Investment properties with cost measurement model

RMB

Items	House and buildings	Land use rights	Total
I. Book value			
1. Opening and closing balance	539,310,452.96	7,525,892.36	546,836,345.32
II. Accumulated amortisation			
1. Opening balance	57,803,696.72	2,290,488.48	60,094,185.20
2. Provided or amortised amount increased in the current year	25,425,679.49	163,606.32	25,589,285.81
3. Closing balance	83,229,376.21	2,454,094.80	85,683,471.01
III. Book value			
1. Closing book value	456,081,076.75	5,071,797.56	461,152,874.31
2. Opening book value	481,506,756.24	5,235,403.88	486,742,160.12

The ownership of houses and buildings and land use rights with a net value of RMB472,375,461.96 at the end of the current year (at the end of previous year: RMB478,047,262.83) was pledged for borrowings.

The investment properties held by the Group is listed in the balance sheet at the amount of the book value less accumulated amortisation and impairment provision. At the end of the current year, according to the evaluation of qualified independent professional valuers, the fair value of the Group's investment properties amounted to RMB527,713,310.51 (at the end of previous year: RMB549,442,110.51).

Fair value is recognised according to market method. Under the same market conditions, the market method compares the real estate to be evaluated with similar real estate transaction examples that have been traded in the recent period according to the principle of substitution, and adjusts the evaluation value of the real estate to be evaluated according to the known price of the latter and referring to the differences of the real estate transaction situation, transaction date, regional factors and individual factors. When estimating the fair value of investment properties, the best use of investment properties is its current use. The valuation method adopted has not changed.

16. Fixed Assets

(1) Fixed assets

RMB

Items	Houses and buildings	Machinery and equipment	Transportation equipment	Other equipment	Total
I. Book value					
1. Opening balance	6,407,928,756.86	15,079,146,589.10	176,942,072.77	216,857,264.74	21,880,874,683.47
2. Amount increased in the current year	2,027,436,661.62	1,225,223,139.34	22,366,812.29	38,253,911.24	3,313,280,524.49
(1) Purchase	122,710,821.57	186,665,230.85	19,859,192.93	19,559,284.97	348,794,530.32
(2) Transferred from construction in progress	1,703,447,495.70	913,964,072.53	707,964.60	15,002,921.81	2,633,122,454.64
(3) Increase from business combination	201,278,344.35	124,593,835.96	1,799,654.76	3,691,704.46	331,363,539.53
3. Amount decreased in the current year	–	527,990,988.60	10,514,630.66	5,493,277.97	543,998,897.23
(1) Disposal or scrap	–	246,079,106.19	10,455,235.02	2,285,104.75	258,819,445.96
(2) Transferred to construction in progress	–	281,911,882.41	59,395.64	3,208,173.22	285,179,451.27
4. Exchange differences on foreign currency financial statements translation	(32,911,885.83)	(51,421,070.31)	(925,542.42)	(241,652.91)	(85,500,151.47)
5. Closing balance	8,402,453,532.65	15,724,957,669.53	187,868,711.98	249,376,245.10	24,564,656,159.26
II. Accumulated depreciation					
1. Opening balance	1,036,453,674.10	3,932,059,764.41	110,645,365.62	88,674,889.74	5,167,833,693.87
2. Amount increased in the current year	341,853,779.30	1,183,304,963.53	29,862,313.11	38,202,536.89	1,593,223,592.83
(1) Provision	333,070,226.91	1,171,906,787.78	29,198,351.54	37,010,241.67	1,571,185,607.90
(2) Increase from business combination	8,783,552.39	11,398,175.75	663,961.57	1,192,295.22	22,037,984.93
3. Amount decreased in the current year	–	172,603,156.90	9,707,798.27	1,244,885.04	183,555,840.21
(1) Disposal or scrap	–	137,871,337.87	9,707,798.27	1,244,885.04	148,824,021.18
(2) Transferred to construction in progress	–	34,731,819.03	–	–	34,731,819.03
4. Exchange differences on foreign currency financial statements translation	(5,018,174.68)	(14,863,364.66)	(335,591.45)	(131,560.79)	(20,348,691.58)
5. Closing balance	1,373,289,278.72	4,927,898,206.38	130,464,289.01	125,500,980.80	6,557,152,754.91
III. Impairment provision					
1. Opening balance	–	317,164,190.64	274,439.20	142,069.88	317,580,699.72
2. Amount increased in the current year	–	119,203,446.68	–	–	119,203,446.68
(1) Provision	–	119,203,446.68	–	–	119,203,446.68
3. Amount decreased in the current year	–	755,113.66	–	–	755,113.66
(1) Disposal or scrap	–	755,113.66	–	–	755,113.66
4. Closing balance	–	435,612,523.66	274,439.20	142,069.88	436,029,032.74
IV. Book value					
1. Closing balance of book value	7,029,164,253.93	10,361,446,939.49	57,129,983.77	123,733,194.42	17,571,474,371.61
2. Opening balance of book value	5,371,475,082.76	10,829,922,634.05	66,022,267.95	128,040,305.12	16,395,460,289.88

At the end of the current year, the fixed assets with a book value of RMB3,250,105,211.23 (at the end of previous year: RMB3,451,841,070.26), were used as collateral for borrowings.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

16. Fixed Assets (Continued)

(2) At the end of the year, the Group's temporarily idle fixed assets

RMB

Items	Original book value	Accumulated depreciation	Impairment provision	Book value
Machinery and equipment	1,331,567,383.99	767,815,042.18	435,612,523.66	128,139,818.15
Transportation equipment	15,255,579.68	13,527,814.37	274,439.20	1,453,326.11
Other equipment	22,139,473.86	15,471,372.02	142,069.88	6,526,031.96
Total	1,368,962,437.53	796,814,228.57	436,029,032.74	136,119,176.22

At the end of this year, some of the Group's idle fixed assets are expected to be scrapped due to plans for renovation and upgrading. The Group has made impairment provisions based on the estimated recoverable residual value upon disposal.

(3) At the beginning and the end of the year, no fixed asset was leased to others under operating leases.

16. Fixed Assets (Continued)

(4) At the end of year, the Group had no fixed asset without property right certificate.

RMB

Item	Original book value	Reasons for failing to complete the title certificate
House and building	3,153,847,267.23	The title certificate is still in process

(5) Impairment testing of fixed assets

The recoverable amount is determined as the net amount after deducting disposal costs from the fair value.

RMB

Item	Book value	Recoverable Amount	Impairment Amount	Determination Method of Fair Value and Disposal Costs	Key Parameters	Basis for Determining Key Parameters
Machine equipment	428,227,265.14	31,581,945.36	396,645,319.78	The recoverable residual value at the time of disposal	Estimated recoverable residual value upon disposal.	Based on recent quotes from independent counterparties

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. Construction in progress

(1) *Listed by category*

RMB

Items	Closing balance	Opening balance
Construction in progress	**2,822,722,972.80**	2,526,539,678.98
Engineering materials	**590,922,780.75**	414,919,203.82
Total	**3,413,645,753.55**	2,941,458,882.80

At the end of the current year, the Group has no construction in progress pledged as collateral for borrowings. (at the end of the last year: RMB15,805,231.12).

(2) *Construction in progress*

a. Construction in progress

RMB

Items	Closing balance Book balance	Impairment provision	Net book amount
Annual production of 1,500,000 tons of solar equipment ultra-thin and ultra-high-transparent panel and back panel manufacturing project	**1,332,811,725.10**	–	**1,332,811,725.10**
Annual production of 1,500,000 tons of new energy equipment ultra-thin and ultra-high-transparent panel manufacturing project	**1,023,868,509.98**	–	**1,023,868,509.98**
Nantong Flat photovoltaic glass supporting project	**188,653,684.75**	–	**188,653,684.75**
Nature gas direct supply project of parent company	**68,382,202.89**	–	**68,382,202.89**
Nantong Natural Gas Transmission Project	**52,221,982.56**	–	**52,221,982.56**
Flat Photoenergy high-efficiency thin-film solar module supporting manufacturing phase I project	**21,244,027.33**	–	**21,244,027.33**
Machinery and equipment to be installed and others	**135,540,840.19**	–	**135,540,840.19**
Total	**2,822,722,972.80**	–	**2,822,722,972.80**

17. Construction in progress (Continued)

(2) Construction in progress (Continued)

a. Construction in progress (Continued)

RMB

Items	Book balance	Opening balance Impairment provision	Net book amount
Annual production of 1,500,000 tons of new energy equipment ultra-thin and ultra-high-transparent panel manufacturing project	962,834,448.61	–	962,834,448.61
Annual production of 1,500,000 tons of solar equipment ultra-thin and ultra-high-transparent panel manufacturing project	1,062,622,270.83	–	1,062,622,270.83
Flat solar energy high-efficient thin-film PV modules supporting manufacturing phase I project	127,652,904.16	–	127,652,904.16
Supporting housing project of Anhui Flat	89,962,878.58	–	89,962,878.58
Anhui Glass Raw Material Warehouse Project	43,849,485.27	–	43,849,485.27
Nature gas direct supply project of parent company	26,452,377.35	–	26,452,377.35
Fengyang new energy distributed photovoltaic power station construction project	16,669,251.97	–	16,669,251.97
Machinery and equipment to be installed and others	196,496,062.21	–	196,496,062.21
Total	2,526,539,678.98	–	2,526,539,678.98

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. Construction in progress (Continued)

(2) *Construction in progress (Continued)*

b. Changes in major construction projects in progress in the year

Unit: RMB

Project name	Budget	Opening amount	Amount increased in the year	Transfer Amount into fixed assets in the year	Closing balance	Project cumulative investment accounted for the proportion of the budget	Project progress	Accumulated amount of interest capitalisation	Including: the amount of interest capitalisation in the year	Capitalisation rate of interest in the year (%)	Sources of funds
Annual production of 1,500,000 tons of solar equipment ultra-thin and ultra-high-transparent panel manufacturing project	3,885,000,000.00	1,062,622,270.83	991,783,490.04	721,594,035.77	**1,332,811,725.10**	52.88%	52.88%	20,710,161.27	13,850,236.13	2.45%-2.95%	Self-owned funds/ Project-specific loans
Annual production of 1,500,000 tons of new energy equipment ultra-thin and ultra-high-transparent panel manufacturing project	3,752,960,000.00	962,834,448.61	719,865,659.46	658,831,598.09	**1,023,868,509.98**	84.53%	84.53%	–	–	–	Non-public proceeds/ Self-owned funds
Supporting housing project of Anhui Flat	500,000,000.00	89,962,878.58	35,519,205.84	125,482,084.42	–	98.66%	98.66%	–	–	–	Self-owned funds
Flat photoenergy high-efficient thin-film PV modules supporting manufacturing project	420,000,000.00	127,652,904.16	281,194,471.06	387,603,347.89	**21,244,027.33**	97.34%	97.34%	–	–	–	Self-owned funds
Nantong Flat photovoltaic glass supporting project	300,000,000.00	18,062,110.09	170,591,574.66	–	**188,653,684.75**	62.88%	62.88%	–	–	–	Self-owned funds
Float glass production line upgrade project	260,000,000.00	898,536.18	255,740,539.41	252,083,083.27	**4,555,992.32**	98.71%	98.71%	–	–	–	Self-owned funds
Total		2,262,033,148.45	2,454,694,940.47	2,145,594,149.44	**2,571,133,939.48**			20,710,161.27	13,850,236.13	–	

c. At the end of the current year, there was no indication of impairment of the Group's construction in progress, so no provision for impairment was made.

17. Construction in progress (Continued)

(3) *Engineering materials*

RMB

Items	Closing balance	Opening balance
Specialised equipment	**335,685,000.08**	148,340,340.63
Refractory materials	**66,253,307.88**	103,905,926.26
Electric wire and cable	**59,498,608.02**	61,722,123.91
Steel and wire rod	**22,368,611.27**	27,257,242.83
Others	**107,117,253.50**	73,693,570.19
Total	**590,922,780.75**	414,919,203.82

As at the end of the year, there was no indicator of impairment of the Group's engineering materials, and therefore no impairment provision was made.

18. Right-of-use Assets

RMB

Items	Land	Roof	House	Total
I. Original book value				
1. Opening balance	239,184,207.49	795,509,364.08	3,816,966.09	1,038,510,537.66
2. Amount increased in the current year	57,401,189.37	25,487,954.33	–	82,889,143.70
3. Amount decrease in the current year	–	–	(3,816,966.09)	(3,816,966.09)
4. Exchange differences on foreign currency financial statements translation	(11,729,648.43)	–	–	(11,729,648.43)
5. Closing balance	284,855,748.43	820,997,318.41	–	1,105,853,066.84
II. Accumulated depreciation				
1. Opening balance	38,080,862.80	35,532,752.26	723,907.36	74,337,522.42
2. Amount increased in the current period	6,165,063.11	31,897,364.80	855,526.88	38,917,954.79
3. Amount decrease in the current year	–	–	(1,579,434.24)	(1,579,434.24)
4. Exchange differences on foreign currency financial statements translation	(2,253,916.58)	–	–	(2,253,916.58)
5. Closing balance	41,992,009.33	67,430,117.06	–	109,422,126.39
III. Book value				
1. Closing balance of book value	242,863,739.10	753,567,201.35	–	996,430,940.45
2. Opening balance of book value	201,103,344.69	759,976,611.82	3,093,058.73	964,173,015.24

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. Intangible Assets

RMB

Items	Land use right	Emission rights (Note 1)	Mining rights (Note 2)	Energy use rights (Note 3)	Software	Sea area use rights (Note 4)	Total
I. Original book value							
1. Opening balance	708,729,295.27	64,320,678.73	7,196,220,684.32	144,731,091.46	8,644,144.47	81,067,980.40	8,203,713,874.65
2. Amount increased in the current year	236,837,484.44	–	46,717,955.90	–	792,487.87	–	284,347,928.21
(1) Purchase	220,608,779.91	–	46,717,955.90	–	778,761.06	–	268,105,496.87
(2) Increase from business combination	16,228,704.53	–	–	–	13,726.81	–	16,242,431.34
3. Amount decreased in the current year	(13,390,000.00)	–	–	–	–	–	(13,390,000.00)
4. Closing balance	932,176,779.71	64,320,678.73	7,242,938,640.22	144,731,091.46	9,436,632.34	81,067,980.40	8,474,671,802.86
II. Accumulated amortisation							
1. Opening balance	104,913,465.37	51,492,035.02	1,713,470,090.01	–	5,981,994.50	2,012,448.90	1,877,870,033.80
2. Amount increased in the current year	16,150,713.69	7,843,246.72	318,887,551.32	–	847,422.94	1,621,359.61	345,350,294.28
(1) Provision	15,596,244.06	7,843,246.72	318,887,551.32	–	834,640.05	1,621,359.61	344,783,041.76
(2) Increase from business combination	554,469.63	–	–	–	12,782.89	–	567,252.52
3. Amount decreased in the current year	(1,086,312.37)	–	–	–	–	–	(1,086,312.37)
4. Closing balance	119,977,866.69	59,335,281.74	2,032,357,641.33	–	6,829,417.44	3,633,808.51	2,222,134,015.71
III. Book value							
1. Closing balance of book value	812,198,913.02	4,985,396.99	5,210,580,998.89	144,731,091.46	2,607,214.90	77,434,171.89	6,252,537,787.15
2. Opening balance of book value	603,815,829.90	12,828,643.71	5,482,750,594.31	144,731,091.46	2,662,149.97	79,055,531.50	6,325,843,840.85

19. Intangible Assets (Continued)

Note 1: Emission rights refer to payments made to Jiaxing Emissions Trading Center, for the right to emit exhausted gas and wastewater. The emission rights are amortised over the useful lives of the straight-line method.

Note 2: Mining exploitation rights refer to the right of the Group to quartz ore mine located in Fengyang County, Anhui Province, China. Mining rights are amortised on a production basis.

Note 3: Energy use rights refer to the right of the Group to purchase the tradable energy consumption as a result of the increased energy demand of the project construction. At the end of the year, the Group performed an impairment test on energy use rights and there is no impairment.

Note 4: The right to use sea area refers to the right owned by the Group to use the industrial sea in Nantong, Jiangsu, China. The right to use sea area shall be amortized using the straight-line method over their legal useful lives.

At the end of the current year, the land use right with the net value of RMB408,286,436.15 (at the end of the last year: RMB383,897,866.83) was pledged for borrowings. The sea use right with the net value of RMB53,944,482.70 (at the end of last year: 55,078,167.10) was pledge for borrowings.

20. Long-term deferred expenses

RMB

Items	Opening balance	Added amount during the period	Deferred amount during the period	Other reduction amount	Closing balance
Pallets	145,117,385.12	39,482,256.89	37,919,266.84	49,081,880.80	**97,598,494.37**
Decoration, maintenance and others	98,432,456.43	38,614,053.23	27,616,424.33	–	**109,430,085.33**
Total	243,549,841.55	78,096,310.12	65,535,691.17	49,081,880.80	**207,028,579.70**

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

21. Deferred Income Tax Assets/Deferred Income Tax Liabilities

(1) Deferred income tax assets before offsetting

RMB

Items	Closing balance		Opening balance	
	Deductible temporary difference	**Deferred income tax assets**	Deductible temporary difference	Deferred income tax assets
Provision for asset impairment	**406,382,553.16**	**60,997,366.45**	392,659,708.99	58,922,322.85
Provision of credit impairment	**86,364,824.43**	**13,678,119.29**	96,205,881.16	16,245,912.62
Deferred revenue	**217,011,835.41**	**32,895,548.86**	207,242,484.26	42,053,923.69
Depreciation difference for fixed assets	**23,810,117.30**	**3,571,517.60**	44,349,515.24	6,652,427.29
Share payment	**3,142,318.50**	**471,347.78**	6,756,536.36	1,013,480.45
Difference related to long-term equity investment	**1,297,759,189.12**	**324,439,797.28**	1,133,820,673.24	283,455,168.31
Lease liability	**774,060,741.15**	**193,515,185.29**	773,370,102.23	193,342,525.56
Deductible losses	**–**	**–**	378,164,695.14	59,114,749.81
Changes in fair values of financial assets at fair value through profit or loss	**42,886.58**	**6,432.99**	43,115.92	6,467.39
Changes in fair values of derivative financial liability	**6,012,834.74**	**901,925.21**	767,714.98	124,331.19
Sub-total	**2,814,587,300.39**	**630,477,240.75**	3,033,380,427.52	660,931,309.16

(2) Deferred tax liabilities before offsetting

RMB

Items	Closing balance		Opening balance	
	Taxable temporary differences	**Deferred tax liabilities**	Taxable temporary differences	Deferred tax liabilities
Property revaluation arising from conversion to a joint stock company	**7,723,665.11**	**1,158,549.77**	8,922,370.48	1,338,355.57
Accelerated depreciation of fixed assets	**2,917,055,422.03**	**437,558,313.30**	3,624,676,340.33	543,701,451.05
Right-of-use asset	**753,567,201.35**	**188,391,800.34**	763,069,670.55	190,767,417.64
Trial production cost	**–**	**–**	36,157,699.62	5,423,654.94
Changes in fair values of derivative financial asset	**1,656,645.00**	**258,304.29**	698,070.40	104,710.56
Sub-total	**3,680,002,933.49**	**627,366,967.70**	4,433,524,151.38	741,335,589.76

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

21. Deferred Income Tax Assets/Deferred Income Tax Liabilities (Continued)

(3) The net balances of deferred income tax assets or liabilities after offsetting

RMB

Items	Closing balance		Opening balance	
	Offset amount of deferred income tax assets and liabilities at the end of the period	**Deferred income tax assets or liabilities after offsetting**	Offset amount of deferred income tax assets and liabilities at the end of the period	Deferred income tax assets or liabilities after offsetting
Deferred income tax assets	**296,219,233.53**	**334,258,007.22**	334,433,888.80	326,497,420.36
Deferred tax liabilities	**296,219,233.53**	**331,147,734.17**	334,433,888.80	406,901,700.96

(4) Deductible losses and other temporary difference of unrecognised deferred income tax asset Items:

RMB

Items	Closing balance	Opening balance
Deductible losses	**58,398,681.20**	21,243,023.14
Temporary differences	**149,042,374.67**	33,992,759.24
Total	**207,441,055.87**	55,235,782.38

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

21. Deferred Income Tax Assets/Deferred Income Tax Liabilities (Continued)

(5) The deductible losses of unrecognised deferred income tax assets will expire in the following years:

RMB

	Closing balance	Opening balance
No maturity date (Note)	**1,209,672.78**	4,840,043.75
2025	**–**	2,628,087.91
2026	**10,456,036.28**	10,963,948.57
2027	**284,882.27**	284,882.27
2028	**1,191,456.57**	832,048.90
2029	**1,562,465.22**	1,694,011.74
2030	**43,694,168.08**	–
Total	**58,398,681.20**	21,243,023.14

Note: Some subsidiaries of the Group have tax losses. According to local laws and regulations, tax losses that meet the specified conditions can be carried forward indefinitely to offset taxable profits in future years.

22. Other Non-current Assets

RMB

	Closing balance	Opening balance
Prepayment of instrument and construction	**392,654,117.66**	879,075,742.46

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23. Assets with Restricted Ownership or Usage Rights

Items	Closing balance	Opening balance	Reasons
Cash at bank and on hand	**295,030,769.83**	783,267,066.50	Bills of exchange margin, pledged certificates of deposit, pledge of electricity revenue, margin for futures and options, and letter of credit margin, etc.
Other current assets	**202,000,000.00**	207,000,000.00	Pledged certificates of deposit to obtain a credit line
Investment property	**472,375,461.96**	478,047,262.83	Pledged to the bank to obtain a credit line
Fixed asset	**3,250,105,211.23**	3,451,841,070.26	Pledged to the bank to obtain a credit line
Construction in progress	**–**	15,805,231.12	Pledged to the bank to obtain a credit line
Intangible assets	**462,230,918.85**	438,976,033.93	Pledged to the bank to obtain a credit line
Total	**4,681,742,361.87**	5,374,936,664.64	

24. Short-term Borrowings

(1) Classification of short-term borrowings

RMB

	Closing balance	Opening balance
Mortgaged borrowings (Note)	**100,000,000.00**	100,000,000.00
Guaranteed borrowings	**266,806,400.00**	483,000,000.00
Guaranteed and mortgage borrowings (Note)	**329,633,600.00**	325,000,000.00
Credit borrowings	**135,000,000.00**	100,000,000.00
Bill discounting borrowings	**1,040,837.67**	8,886,467.84
Total	**832,480,837.67**	1,016,886,467.84

Note: For the types and amount of the asset of the mortgaged borrowings, please refer to the Notes (VI) 15, 16,17 and 19.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

24. Short-term Borrowings (Continued)

(1) Classification of short-term borrowings (Continued)

Information related to supplier financing arrangements:

The Group has entered into a supplier financing arrangement with a bank. Under this arrangement, the bank pays the amounts due to suppliers on behalf of the Group before the original due date of the accounts payable. The Group is then relieved of its payment obligations to the suppliers. The Group settles with the bank within one year after the bank's payment, with an interest rate ranging from 1.60% to 2.15% and guaranteed by the Company and Zhejiang Jiafu. This arrangement effectively extends the payment of the original accounts payable, and the interest rate is consistent with the Group's short-term borrowing rates for the same period. Considering the nature and substance of this arrangement, the Group has classified the amounts payable to the bank under this arrangement as short-term borrowings. The payments made to the bank are categorized as cash flows from financing activities in the cash flow statement. The payments made by the bank to the suppliers are disclosed as non-cash transactions. At the balance sheet date, financial liabilities belonging to the supplier financing arrangement are presented in the balance sheet as guaranteed loan under short-term borrowings, nil balance at the end of the current year (RMB443,000,000.00 as of 31 December 2024.

(2) At the end of the current year, the Group had no short-term borrowings that were overdue.

The annual interest rate of the above borrowings in current year is from 2.10% to 4.02% (last year: from 1.60% to 3.00%).

25. Derivative financial liabilities

RMB

Items	Closing balance	Opening balance
Derivative financial asset without specified hedging relationship	**6,305,020.68**	767,714.98
Including: Interest rate swap contracts	**–**	156,118.69
Foreign exchange option contracts	**1,667,461.00**	611,596.29
Foreign exchange swap contracts	**4,637,559.68**	–
Total	**6,305,020.68**	767,714.98

26. Bills Payables

RMB

	Closing balance	Opening balance
Bank acceptance bills	**127,989,845.88**	874,305,689.59

27. Trade Payables

(1) Listing of trade payables:

RMB

	Closing balance	Opening balance
Trade payables	**1,533,124,433.37**	1,571,934,225.69
Construction costs payable	**2,454,130,176.68**	2,452,025,950.56
Total	**3,987,254,610.05**	4,023,960,176.25

(2) Ageing analysis of trade payables according to the posting date:

RMB

Items	Closing balance	Opening balance
Within 1 year	**3,165,104,341.01**	3,171,868,524.48
1–2 years	**299,188,746.57**	696,872,149.78
2–3 years	**367,950,588.58**	99,012,532.72
Over 3 years	**155,010,933.89**	56,206,969.27
Total	**3,987,254,610.05**	4,023,960,176.25

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

27. Trade Payables (Continued)

(3) Significant trade payables with ageing over 1 year

RMB

Item	Closing balance	Reasons of outstanding or carry-over
Supplier A	**377,112,856.88**	Project retention has not yet expired and been repaid

28. Contract Liabilities

Listing of contract liabilities:

RMB

	Closing balance	Opening balance
Advance payment from customers for goods	**44,465,850.49**	33,293,546.48

The Group accounts for the advance payment from customers for goods based on goods sales contracts as contract liabilities, and the related contract liabilities are recognised as sales revenue when the control of the goods is transferred to the customer. The advance payment from customers for goods at the beginning of the year have all been recognised as revenue in the current year, and the contract liabilities at the end of the year are expected to be recognised as revenue in 2026.

29. Payroll Payable

(1) Listing of payroll payable

RMB

Items	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
1. Short-term remuneration	103,284,023.70	803,338,559.51	805,397,199.77	**101,225,383.44**
2. Post-employment welfare – Defined contribution plan	2,194,343.94	70,766,595.67	70,866,747.96	**2,094,191.65**
Total	105,478,367.64	874,105,155.18	876,263,947.73	**103,319,575.09**

29. Payroll Payable (Continued)

(2) Listing of short-term remuneration

RMB

Items	Opening balance	Increase in the current year	Decrease in the current year	**Closing balance**
I. Wages or salaries, bonuses, allowances and subsidies	99,513,085.06	699,989,073.88	702,921,656.24	**96,580,502.70**
II. Staff welfare	505.00	34,126,710.73	32,493,033.84	**1,634,181.89**
III. Social insurance	1,545,513.88	41,105,395.70	41,295,502.15	**1,355,407.43**
Including: Medical insurance	1,321,083.13	31,780,763.00	31,983,884.02	**1,117,962.11**
Work-related injury insurance	224,223.15	7,247,966.28	7,301,641.96	**170,547.47**
Maternity insurance	207.60	2,076,666.42	2,009,976.17	**66,897.85**
IV. Housing funds	1,066,370.00	18,611,031.34	18,623,443.34	**1,053,958.00**
V. Labor education & union	1,158,549.76	9,506,347.86	10,063,564.20	**601,333.42**
Total	103,284,023.70	803,338,559.51	805,397,199.77	**101,225,383.44**

(3) Defined contribution plan

RMB

Items	Opening balance	Increase in the current year	Decrease in the current year	**Closing balance**
1. Basic pension insurance	2,133,020.35	68,407,898.17	68,500,990.86	**2,039,927.66**
2. Unemployment insurance	61,323.59	2,358,697.50	2,365,757.10	**54,263.99**
Total	2,194,343.94	70,766,595.67	70,866,747.96	**2,094,191.65**

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

29. Payroll Payable (Continued)

(3) Defined contribution plan (Continued)

The Group participates in pension and unemployment insurance plans established by government authorities in accordance with relevant regulations. Under these plans, the Company and its subsidiaries (except for the Vietnam subsidiary) contribute 16.00% and 0.50% of employees' basic salaries to these plans on a monthly basis, while the Group's subsidiary located in Vietnam contributes 17.50% and 1.00% of employees' basic salaries on a monthly basis. Apart from the monthly contributions mentioned above, the Group has no further payment obligations. The corresponding expenses are recognized in profit or loss when incurred.

The Group's contributions payable to the pension and unemployment insurance plans for the year amounted to RMB68,407,898.17 and RMB2,358,697.50, respectively (2024: RMB74,183,086.67 and RMB2,540,512.64). As of December 31, 2025, accrued but unpaid contributions to the pension and unemployment insurance plans totaled RMB2,039,927.66 and RMB54,263.99, respectively. Such amounts were paid after the reporting date.

30. Taxes Payable

RMB

Items	Closing balance	Opening balance
Enterprise income tax	**80,443,462.83**	96,208,796.29
VAT	**19,918,814.44**	35,546,352.11
Resource tax	**7,224,195.64**	8,393,904.12
Property tax	**18,027,940.62**	19,781,950.62
Land use tax	**12,578,713.02**	14,117,253.21
Urban maintenance and construction tax	**3,731,956.80**	2,329,468.22
Education surcharge and local educational surcharges	**3,161,830.23**	1,891,172.00
Individual income tax	**879,515.05**	5,286,737.72
Others	**4,710,537.33**	5,533,175.83
Total	**150,676,965.96**	189,088,810.12

31. Other Payables

Listing of items:

RMB

Items	Closing balance	Opening balance
Interest payable	**45,223,547.09**	36,197,048.99
Dividends payables	**136,920.00**	1,299,820.00
Other payables	**147,218,629.47**	117,585,251.18
Total	**192,579,096.56**	155,082,120.17

(1) Interest payable

RMB

Items	Closing balance	Opening balance
Interest payable on convertible bonds	**37,151,805.06**	24,767,383.50
Interest for long-term borrowings with interest paid in installment and principal paid due to maturity	**7,852,422.59**	7,893,804.31
Interest payable for short-term borrowings	**219,319.44**	3,535,861.18
Total	**45,223,547.09**	36,197,048.99

(2) Dividends payables

RMB

Items	Closing balance	Opening balance
Dividends on ordinary shares	**136,920.00**	1,299,820.00

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

31. Other Payables (Continued)

(3) Other payables

RMB

Classification	Closing balance	Opening balance
Warranty	**52,340,321.36**	101,289,106.34
Restricted share incentive schemes (Note (XI))	**1,855,280.00**	8,042,382.50
Transportation premium	**37,089,822.41**	2,430,044.32
Investment payables	**51,837,400.00**	–
Others	**4,095,805.70**	5,823,718.02
Total	**147,218,629.47**	117,585,251.18

At the end of the year, the Group had no other payables with an ageing of more than one year and a significant amount.

32. Non-Current Liabilities Due Within One Year

RMB

	Closing balance	Opening balance
Long-term borrowings due within 1 year (Note (VI) 34)	**2,315,143,228.94**	2,224,859,208.24
Lease liabilities due within 1 year (Note (VI) 36)	**30,252,906.01**	23,378,745.89
Long-term payables due within 1 year (Note (VI) 37)	**47,989,504.57**	45,857,147.24
Total	**2,393,385,639.52**	2,294,095,101.37

33. Other Current Liabilities

RMB

	Closing balance	Opening balance
Output-VAT pending for recognition	**2,805,550.04**	2,569,993.90

34. Long-Term Borrowings

(1) Categories of long-term borrowings

RMB

	Closing balance	Opening balance
Guarantee and pledged borrowings (Note 1)	**2,139,132,463.81**	1,823,975,865.44
Mortgage borrowings (Note 2)	**159,000,000.00**	310,000,000.00
Secured and mortgage borrowings	**899,000,000.00**	800,000,000.00
Guarantee borrowings	**1,550,299,670.40**	2,555,464,630.02
Guarantee and mortgage borrowings (Note 2)	**3,710,858,052.40**	3,430,650,000.00
Credit borrowings	**299,850,000.00**	396,950,000.00
Subtotal	**8,758,140,186.61**	9,317,040,495.46
Less: Long-term borrowings due within 1 year (Note (VI)30)	**2,315,143,228.94**	2,224,859,208.24
Including: Guarantee and pledge borrowings	**232,910,072.40**	211,999,470.64
Mortgage borrowings	**10,000,000.00**	4,500,000.00
Secured and mortgage borrowings	**304,000,000.00**	600,000,000.00
Guarantee borrowings	**1,348,299,670.40**	836,509,737.60
Guarantee and mortgage borrowings	**419,833,486.14**	274,750,000.00
Credit borrowings	**100,000.00**	297,100,000.00
Long-term borrowings due after 1 year	**6,442,996,957.67**	7,092,181,287.22

Note 1: The pledged assets for the year-end guaranteed and pledged loans are the equity held by the Group in Flat (Vietnam) and the electricity bill account deposits and bank fixed-term deposits of Fulaitai and its subsidiaries.

Note 2: For the types and amounts of secured assets of secured loans, please refer to the Notes (VI) 15, 16, 17 and 19.

(2) Loan arrangement with contractual conditions

Our Group has reached a loan agreement with contractual conditions with certain banks, which stipulated that certain financial indicators of the borrower shall satisfy agreed conditions during the loan period. The financial indicators involved the ratio of consolidated net liabilities to consolidated EBIT, the ratio of consolidated EBIT to consolidated financial costs, the amount of consolidated net assets, gearing ratio, etc. As of 31 December 2024, the amount of long-term borrowings with covenants and deferral of repayment rights, which are subject to the covenants to be followed within one year after the balance sheet date, for the Group, was RMB775,500,000.00 (As at the end of last year: RMB1,093,304,892.42).

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

34. Long-Term Borrowings (Continued)

(3) Profile of maturity dates of long-term borrowings:

RMB

Item	Closing balance	Opening balance
1 to 2 years	**2,300,553,574.19**	1,405,714,072.40
2 to 5 years	**3,069,801,281.68**	3,995,392,217.20
Over 5 years	**1,072,642,101.80**	1,691,074,997.62
Total	**6,442,996,957.67**	7,092,181,287.22

(4) Other descriptions

The interest rate of the above borrowings was between 2.30% to 5.74% (previous year: between 2.49% to 6.91%).

35. Bonds Payable

(1) Bonds Payable

RMB

	Closing balance	Opening balance
Bonds Payable	**4,065,908,075.91**	3,916,928,685.43

35. Bonds Payables (Continued)

(2) Changes in bonds payable

RMB

Name of bond	Issuing date	Term of the bond	Issue amount	Opening balance	Issued for the current year	Accrued interests at par value	Amortisation of premium/ discount	Conversion for the current year	Redemption for the current year	Closing balance
Flat convertible bond	2022-05-20	6 years	4,000,000,000.00	3,916,928,685.43	-	52,383,561.64	201,394,692.54	31,740.42	-	**4,065,908,075.91**

(3) Descriptions of issue, conversion term and time of convertible corporate bonds

As approved by the China Securities Regulatory Commission, the Company publicly issued 40 million A share convertible corporate bonds with a par value of RMB100 each on 20 May 2022. The total amount of this issuance is RMB4,000,000,000.00 and the term is 6 years. The annual coupon rate shall be 0.3% in the first year, 0.5% in the second year, 1.0% in the third year, 1.5% in the fourth year, 1.8% in the fifth year and 2.0% in the sixth year. The payment method that interest shall be paid on an annual basis shall be adopted and the principal shall be repaid and the interest for the last year shall be paid. The conversion period of the A Share Convertible Bonds under the issuance shall commence on the first trading day immediately following the expiry of the six-month period after the date of the issuance of the convertible bonds (i.e.26 May 2022), and end on the maturity date of the convertible bonds (i.e. 28 November 2022 to 19 May 2028). The initial conversion price is RMB43.94 per share. The Company will adjust the conversion price based on the prospectus upon the occurrence of distribution of stock dividend, capitalisation issue, issuance of new shares (excluding the increase in share capital due to the convertible corporate bonds in this issuance), rights issue or distribution of cash dividend.

As of 31 December 2025, the Company has cumulatively converted convertible bonds with a Nominal value of RMB116,000.00 into 2,678 ordinary shares (A shares). Among these, during the year 2025, convertible bonds with a Nominal value of RMB28,000.00 were converted into 668 ordinary shares (A shares).

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

36. Lease Liabilities

RMB

Classification	Closing balance	Opening balance
Lease liabilities	**796,607,945.79**	787,694,649.91
Less: Lease liabilities included in non-current liabilities due within one year (Note (VI) 32)	**30,252,906.01**	23,378,745.89
Net	**766,355,039.78**	764,315,904.02

The lease liabilities of the Group are analyzed by the maturity of the undiscounted remaining contractual obligations as follows:

RMB

Classification	Closing balance	Opening balance
Within 1 year	**61,561,843.75**	55,995,759.50
1-2 years	**56,182,147.38**	54,875,759.50
2-5 years	**160,663,938.82**	158,992,911.00
Over 5 years	**964,493,728.04**	983,012,000.71
Total	**1,242,901,657.99**	1,252,876,430.71

37. Long-term payables

RMB

Classification	Closing balance	Opening balance
Mining rights transfer payment	**47,989,504.57**	93,846,651.81
Less: Long-term payables included in non-current liabilities due within one year (Note (VI) 32)	**47,989,504.57**	45,857,147.24
Long-term payables due after one year	**–**	47,989,504.57

38. Provision

RMB

Item	Closing balance	Opening balance	Reason
Environmental protection and land reclamation costs	**3,897,359.93**	4,549,602.98	Provision for geological environmental protection and land reclamation costs of mines

39. Deferred Revenue

RMB

Classification	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Government grants related to assets (Note (VII))	207,242,484.26	144,098,800.00	30,019,448.85	**321,321,835.41**

40. Share Capital and Treasury Stock

Share capital

RMB

	Opening balance	Increase or decrease for the year		Closing balance
		Repurchase and cancel shares (Note 2)	Conversion of convertible bonds (Note (VI) 35)	
Total share capital	585,729,891.25	(10,000.00)	167.00	**585,720,058.25**

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

40. Share Capital and Treasury Stock (Continued)

Treasury stock

RMB

Item	Opening balance	Increase for the year (Note 1)	Decrease for the year (Note 3)	**Closing balance**
Treasury stock	229,499,392.17	78,544,315.30	6,187,100.00	**301,856,607.47**

Note 1: On 23 February 2024, the Company convened its 50th meeting of the Sixth Board of Directors and approved the proposal on "The Plan for Repurchasing a Portion of A-shares through Centralized Competitive Bidding," which involves repurchasing a portion of the Company's domestic ordinary shares (A-shares) for equity incentives or employee share ownership plans. The total amount of funds for repurchasing shares shall be no less than RMB300 million (inclusive) and no more than RMB600 million (inclusive), with a repurchase price not exceeding RMB30 per share (inclusive). The repurchase period is within six months from the date of approval by the Board of Directors (i.e., from 23 February 2024, to 22 August 2024). On 19 August 2024, the Company convened its 57th meeting of the Sixth Board of Directors and approved the proposal on "Extending the Implementation Period for the Repurchase of the Company's A-shares," thereby extending the implementation period for the repurchase of A-shares by six months. As a result, the implementation period for the repurchase of A-shares was adjusted to be from 23 February 2024 to 22 February 2025. On 19 July 2024, due to the implementation of the 2023 annual dividend distribution, the Company adjusted the upper limit of the repurchase price to RMB29.62 per share (inclusive). On 20 December 2024, due to the implementation of the 2024 interim dividend distribution, the Company adjusted the upper limit of the repurchase price to RMB29.49 per share (inclusive).

During the year of 2025, the Company repurchased 3,841,500 shares of RMB-denominated ordinary A shares, at a repurchase price ranging from RMB19.96 per share to RMB20.73 per share, with total consideration paid of RMB78,544,315.30, resulting in an increase in treasury shares of RMB78,544,315.30.

Note 2: On 27 August 2025, the Company convened the Eighth Meeting of the Seventh Board of Directors, at which the "Proposal on Repurchasing and Cancelling Certain Restricted Shares under the 2020 A Share Restricted Stock Incentive Plan − First Grant Tranche" was reviewed and approved. Due to illegal or disciplinary violations committed by one incentive participant, resulting in the Company's termination of the labor relationship with such participant, the Company repurchased and cancelled 40,000 restricted shares that had not yet met the vesting conditions, at a repurchase consideration of RMB249,200.00. Concurrently, the cash dividends of RMB47,720.00 corresponding to the aforesaid shares were reversed, resulting in a decrease in treasury shares of RMB201,480.00. On 24 October 2025, the Company completed the cancellation procedures for the aforesaid repurchased restricted shares, with a decrease in registered capital of RMB10,000.00, a decrease in number of shares of 40,000, and a decrease in capital reserve of RMB191,480.00.

Note 3: On 25 May 2025, the conditions for the fourth vesting period of the restricted shares reserved in May 2021 were fulfilled, resulting in a corresponding reduction of treasury shares by RMB1,855,280.00. On 11 August 2025, the conditions for the fifth vesting period of the restricted shares initially granted under the Company's 2020 A-share Restricted Stock Incentive Plan were fulfilled, resulting in a corresponding reduction of treasury shares by RMB4,130,340.00.

41. Other equity instruments

RMB

Outstanding financial instruments	Opening balance		Increase in the current year		Decrease in the current year		Closing balance	
	Number	Book value	Number	Book value	Number	Book value	**Number**	**Book value**
Convertible corporate bonds	39,999,120.00	491,724,696.36	–	–	280.00	3,442.15	**39,998,840.00**	**491,721,254.21**

Note: Other equity instruments comprise of the equity from the convertible corporate bonds issued for the current year, and please refer to Note (VI) 35.

42. Capital reserve

RMB

Items	Opening balance	Increase in the current year	Decrease in the current year	**Closing balance**
Share premium (Note (VI) 35 and 40, Note 1)	10,672,380,402.54	33,112,107.53	705,021.91	**10,704,787,488.16**
Other capital reserve (Note (XI))	28,312,251.62	5,641,382.14	33,076,831.91	**876,801.85**
Total	10,700,692,654.16	38,753,489.67	33,781,853.82	**10,705,664,290.01**

Note 1: On 3 June 2025, the Company's wholly-owned subsidiary Nantong Flat Glass Co., Ltd. entered into an Equity Acquisition Agreement with Jiangsu Yunrong Energy Co., Ltd., pursuant to which Nantong Flat Glass acquired 49% equity interest in Nantong Natural Gas held by Jiangsu Yunrong Energy Co., Ltd. for a consideration of RMB1,000,000.00. The difference of RMB513,541.91 between the consideration paid and the non-controlling interests acquired of RMB486,458.09 was deducted from capital reserve.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

43. Other Comprehensive Income

RMB

Items	Opening balance	Amount incurred in the current year: Amount before income tax incurred in the current year	Less: Income tax expense	Amount attributable to the parent Company after income tax	Amount attributable to minority shareholders after income tax	Carry-forward to retained earnings	**Closing balance**
I. Other comprehensive income that will not be reclassified into profit or loss afterwards	–	–	–	–	–	-	-
II. Other comprehensive income that will be reclassified into profit or loss afterwards	(26,317,651.97)	(114,332,412.18)	–	(113,919,949.85)	(412,462.33)	-	**(140,237,601.82)**
Exchange differences on foreign currency financial statements translation	(26,317,651.97)	(114,332,412.18)	–	(113,919,949.85)	(412,462.33)	-	**(140,237,601.82)**
Total	(26,317,651.97)	(114,332,412.18)	–	(113,919,949.85)	(412,462.33)	-	**(140,237,601.82)**

44. Special Reserve

RMB

Item	Opening balance	Increase for the year	Decrease for the year	Closing balance
Safety production costs	68,241,880.14	18,219,173.19	1,246,963.15	**85,214,090.18**

45. Surplus Reserve

RMB

Item	Opening balance	Increase for the year	Decrease for the year	Closing balance
Statutory surplus reserve	293,915,529.38	–	–	**293,915,529.38**

Note: Surplus reserve is accrued according to the Company's Articles of Association or with the approval from the Board. The statutory surplus reserve can be used to cover the Company's losses or to increase the share capital. In accordance with Articles of Association of the Company, the statutory surplus reserve is withdrawn at 10% of the net profit, and it will not be withdrawn when the accumulated statutory surplus reserve of the Group reaches 50% of the registered capital. The amount of the statutory surplus reserve of the Company has reached 50% of its registered capital.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

46. Undistributed Profit

RMB

Items	Amount for the current year	Amount for the last year
Opening balance of the undistributed profit	**9,814,310,237.19**	9,998,276,039.62
Add: Net profit attributable to shareholders of the parent company in the current year	**980,574,130.35**	1,006,602,737.08
Less: Accrual of statutory surplus reserves	**–**	–
Ordinary dividends payable	**–**	1,190,568,539.51
Closing balance of the undistributed profit (Note 1)	**10,794,884,367.54**	9,814,310,237.19

Note 1: The undistributed profit at the end of the year included the legal surplus reserve of RMB802,637,493.20 (31 December 2024: RMB752,657,741.10) accrued by the subsidiaries of the Company.

47. Operating Revenue and Operating Cost

(1) Operating revenue and operating cost

RMB

Items	Amount for the year		Amount for last year	
	Revenue	Cost	Revenue	Cost
Main business	**15,487,492,941.60**	**12,901,020,231.41**	18,642,123,374.58	15,765,639,228.82
Other business	**79,295,631.76**	**33,704,566.22**	40,479,103.78	21,967,289.46
Total	**15,566,788,573.36**	**12,934,724,797.63**	18,682,602,478.36	15,787,606,518.28

The Group recognised operating revenue at a point in time.

47. Operating Revenue and Operating Cost (Continued)

(2) Breakdowns of operating revenue and operating cost

RMB

Items	Amount for the year		Amount for the last year	
	Operating revenue	**Operating cost**	Operating revenue	Operating cost
Category of commodities				
PV glass	**13,986,092,628.22**	**11,732,897,201.53**	16,816,104,203.15	14,186,517,014.81
Household glass	**250,572,553.63**	**219,202,145.10**	308,338,949.63	267,232,244.36
Architectural glass	**543,572,698.79**	**358,220,282.63**	502,124,378.61	465,934,478.67
Float glass	**110,679,415.18**	**125,810,448.49**	282,820,423.59	292,959,618.69
Glass sub-total	**14,890,917,295.82**	**12,436,130,077.75**	17,909,387,954.98	15,212,643,356.53
Electricity generation revenue	**503,814,473.27**	**341,711,442.30**	421,258,696.03	290,656,450.91
Mining product	**92,761,172.51**	**123,178,711.36**	311,476,723.57	262,339,421.38
Other business	**79,295,631.76**	**33,704,566.22**	40,479,103.78	21,967,289.46
Total	**15,566,788,573.36**	**12,934,724,797.63**	18,682,602,478.36	15,787,606,518.28
Classification by operating area				
China	**10,513,692,930.11**	**9,110,590,668.94**	14,277,293,828.74	12,412,504,471.64
Asia (excluding China)	**3,207,790,836.79**	**2,460,029,585.12**	3,109,178,385.96	2,432,474,188.39
Europe	**189,172,598.11**	**148,789,542.13**	162,939,436.36	139,075,616.70
North America	**1,642,239,982.55**	**1,204,385,816.06**	1,114,478,083.29	787,996,199.41
Others	**13,892,225.80**	**10,929,185.38**	18,712,744.01	15,556,042.14
Total	**15,566,788,573.36**	**12,934,724,797.63**	18,682,602,478.36	15,787,606,518.28
Classified by sales channel				
Direct sales	**15,449,643,398.89**	**12,812,142,201.52**	18,493,796,301.36	15,593,844,704.16
Dealers	**117,145,174.47**	**122,582,596.11**	188,806,177.00	193,761,814.12
Total	**15,566,788,573.36**	**12,934,724,797.63**	18,682,602,478.36	15,787,606,518.28

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

47. Operating Revenue and Operating Cost (Continued)

(3) Performance obligations

Items	The timing of fulfilling the performance obligation	Key Payment Terms	The nature of the Company's commitment to transfer goods	Whether it is the Principal	The amounts expected to be refunded to customers that the Company undertakes	The type of quality assurance provided by the Company and related obligations
Domestic product sale	Delivered to the agreed delivery location as stipulated in the contract or picked up by the buyer themselves, and confirmed by the buyer's acceptance	The Company primarily operates on credit sales, with the main customers' credit terms ranging from 30 to 120 days after the goods are accepted.	Glass products, mining products, etc.	Yes	N/A	The Company provides a quality assurance that the products sold meet established standards. When the products sold by the Group have quality defects, customers have the right to return or exchange the goods, which does not constitute a separate performance obligation.
Export product sale	For contracts under the EXW (Ex Works) term, the timing is when the buyer's designated carrier picks up the goods at the seller's premises. For contracts under the FOB (Free on Board), CIF (Cost, Insurance, and Freight), or FCA (Free Carrier) terms, the timing is when the goods have been processed for export customs clearance as stipulated in the contract and have passed over the ship's rail. For contracts under the DDP (Delivered Duty Paid) or DAP (Delivered At Place) terms, the timing is when the goods are delivered to the buyer's designated receiving location.					
Electricity generation business	Transmit electricity to the designated lines of the national grid	Credit term of 30 days	Electricity	Yes	N/A	N/A

48. Taxes and Surcharges

RMB

Items	Amount for the year	Amount for last year
Resource tax	**23,543,713.19**	43,744,945.54
Land use tax	**25,907,596.04**	39,904,923.28
Property tax	**38,448,764.55**	47,699,164.32
Urban construction tax	**21,092,134.75**	19,382,026.45
Stamp duty	**8,546,420.58**	11,749,132.35
Education surcharge and local educational surcharges	**19,512,864.24**	17,648,131.71
Special fund for water conservancy construction	**7,084,856.77**	7,787,712.43
Environmental protection tax	**6,963,772.06**	7,555,115.37
Others	**3,923,335.27**	840,673.18
Total	**155,023,457.45**	196,311,824.63

49. Selling Expenses

RMB

Items	Amount for the year	Amount for last year
Assembling frame charges	**38,140,302.41**	22,757,242.25
Employee compensation and welfare	**16,100,322.67**	17,375,885.01
Marketing expenses	**1,756,572.88**	2,984,959.92
Depreciation and amortisation	**76,447.15**	781,596.87
Others	**13,391,783.82**	8,074,763.55
Total	**69,465,428.93**	51,974,447.60

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

50. Administrative Expenses

RMB

Items	Amount for the year	Amount for last year
Employee remuneration and benefits	**138,990,249.96**	139,287,877.36
Equity settled share-based payment	**5,641,382.14**	12,213,142.01
Depreciation and amortisation	**91,766,914.47**	47,594,515.19
Labor costs	**2,219,857.31**	17,146,689.53
Intermediary agency service fee	**11,348,707.42**	26,801,927.67
Green and environmental protection expenses	**17,708,899.72**	19,233,048.47
Office expenses	**22,891,067.84**	13,740,724.34
Rent expenses	**11,697,034.06**	5,613,055.12
Entertainment expenses	**1,705,938.54**	8,066,245.69
Audit expense	**3,400,000.00**	3,700,000.00
Transportation expenses	**3,885,807.11**	3,619,306.50
Travelling expenses	**4,211,700.04**	4,215,039.34
Decoration cost	**–**	5,714,983.01
Others	**20,633,382.68**	20,612,052.99
Total	**336,100,941.29**	327,558,607.22

51. Research and Development Expenses

RMB

Items	Amount for the year	Amount for last year
Direct material costs	**285,127,433.21**	412,727,367.87
Employee remuneration and benefits	**107,316,399.76**	145,716,298.44
Depreciation expenses	**33,966,333.92**	35,723,504.19
Others	**4,273,261.07**	10,621,762.24
Total	**430,683,427.96**	604,788,932.74

The Group has no significant externally purchased research and development projects.

52. Finance Expenses

RMB

Items	Amount for the year	Amount for last year
Interest expenses	**514,688,309.56**	569,813,716.98
Including: Interest expense for lease liabilities	**32,888,948.56**	29,635,460.43
Less: Interest income	**78,544,869.16**	126,044,839.70
Handling fee	**3,952,051.88**	4,983,287.05
Exchange gains	**(26,609,915.62)**	(41,258,446.79)
Total	**413,485,576.66**	407,493,717.54

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

53. Other Revenues

RMB

Sources of other revenues	**Amount for the year**	Amount for last year
Government grants related to assets (Note (VII))	**30,019,448.85**	14,274,834.05
Government grants related to revenues	**27,489,875.77**	25,890,009.33
Additional VAT credit	**44,129,293.45**	78,071,723.12
Reduction of value-added tax for recruiting veterans and people out of poverty	**2,042,250.00**	2,453,650.00
Income from the refund of individual income tax handling fees	**638,814.43**	447,148.25
Total	**104,319,682.50**	121,137,364.75

54. Investment Income

RMB

Sources of investment income	**Amount for the year**	Amount for last year
Investment gains on disposal of derivative financial instruments	**5,527,484.69**	20,139,917.65
Long term equity investment income measured at equity method	**23,620,234.79**	18,629,460.08
Investment income from financial assets held for trading during the holding period	**8,789,497.99**	13,035,235.49
Total	**37,937,217.47**	51,804,613.22

55. (Losses) Gains from Changes in Fair Value

RMB

Sources of (losses) gains from changes in fair value	**Amount for the year**	Amount for last year
Derivative tools without the specified hedging relationship		
− Loss from changes in fair value of forward foreign exchange contracts	**−**	(5,207.84)
− Gains from changes in fair value of interest rate swap contracts	**156,118.69**	1,311,064.31
− Loss from changes in fair value of foreign exchange option contracts	**(1,023,929.07)**	(242,386.40)
− Loss from Changes in Fair Value of Foreign Exchange Swap Contracts	**(3,710,920.72)**	−
Gains (losses) from changes of fair value of equity instrument investments	**229.34**	(43,115.92)
Total	**(4,578,501.76)**	1,020,354.15

56. Credit Impairment Gains

RMB

Items	**Amount for the year**	Amount for last year
Credit impairment gains on bills receivable	**1,645,776.66**	8,292,048.83
Credit impairment gains on trade receivables	**6,392,863.97**	63,239,997.36
Total	**8,038,640.63**	71,532,046.19

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

57. Asset Impairment Losses

RMB

Items	Amount for the year	Amount for last year
Inventory impairment losses	**78,577,164.50**	78,778,738.44
Fixed assets impairment losses	**119,203,446.68**	277,441,873.10
Impairment loss on long-term equity investments	**4,500,000.00**	–
Total	**202,280,611.18**	356,220,611.54

58. Losses on Disposal of Asset

RMB

Item	Amount for the year	Amount for last year
Losses on disposal of fixed assets	**44,852,378.31**	65,984,014.24
Losses on disposal of long-term deferred expenses	**45,789,843.26**	–
Losses on other non-current assets	**211,980.19**	–
Total	**90,854,201.76**	65,984,014.24

59. Non-Operating Income

RMB

Item	Amount for the year	Amount for last year
Others	**5,298,491.64**	4,730,625.24

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

60. Non-Operating Expense

RMB

Items	Amount for the year	Amount for last year
Public welfare donations	**539,274.85**	1,661,407.87
Others	**4,410,641.78**	4,718,880.46
Total	**4,949,916.63**	6,380,288.33

61. Income Tax Expense

RMB

Items	Amount for the year	Amount for last year
Current period income tax expenses	**172,112,592.32**	208,919,040.50
Income taxes refunded for the last year	**(971,186.72)**	4,749,870.67
Deferred income tax expenses	**(83,514,553.65)**	(101,290,100.41)
Total	**87,626,851.95**	112,378,810.76

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

61. Income Tax Expense (Continued)

Reconciliation between income tax expense and accounting profit is as follows:

RMB

Items	**Amount for the year**	Amount for last year
Total profits	**1,080,235,744.35**	1,128,508,519.79
Income tax expense calculated at tax rate of 15% (2024: 15%)	**162,035,361.65**	169,276,277.97
Effect of subsidiaries to adapt different tax rates	**42,616,183.86**	30,586,867.08
Effect of non-deductible costs, expenses and losses	**27,778,209.81**	25,929,627.91
Effect of non-taxable income	**26,077,500.00**	–
Supplement (refund) of the income tax for last period	**(971,186.72)**	4,749,870.67
Tax effect on tax incentives	**(143,411,208.09)**	(50,331,108.59)
Effect of use of deductible losses on previously unrecognised deferred income tax asset	**(12,376,491.08)**	(1,357,818.00)
Effect of deductible losses and deductible temporary difference of unrecognised deferred income tax assets at end of the year	**28,473,899.91**	5,289,476.90
Effect on research and development costs plus deduction	**(42,595,417.39)**	(71,764,383.18)
Income tax expenses	**87,626,851.95**	112,378,810.76

62. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share

For the purpose of calculating basic earnings per share, net profit for the current period attributable to ordinary shareholders of the parent company is as follows:

RMB

Items	**Amount for the year**	Amount for last year
Net profit for the current period attributable to ordinary shareholders of the parent company	**980,574,130.35**	1,006,602,737.08
Less: cash dividends distributed in the current year to the holders of restricted shares expected to be unlocked in the future	**–**	581,400.00
Net profit attributable to the ordinary shareholders of the parent company for the current period for the purpose of the basic earnings per share	**980,574,130.35**	1,006,021,337.08

62. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share (Continued)

For the purpose of calculating basic earnings per share, the denominator is the weighted average number of outstanding ordinary shares and its calculation process is as follows:

Unit: Share

Items	**Amount for the year**	Amount for last year
Number of ordinary shares outstanding at the beginning of the year	**2,333,452,644.00**	2,351,324,235.00
Less: Weighted number of ordinary shares of the year	**(3,347,582.67)**	(12,830,900.33)
Weighted number of outstanding ordinary shares at the end of the year	**2,330,105,061.33**	2,338,493,334.67

When calculating diluted earnings per share, the net profit attributable to ordinary shareholders of the parent company for the current period is:

RMB

Items	**Amount for the year**	Amount for last year
Net profit attributable to the ordinary shareholders of the parent company for the current period for the purpose of the earning per share	**980,574,130.35**	1,006,021,337.08
Add: cash dividends distributed in the current year to the holders of restricted shares expected to be unlocked in the future	**–**	581,400.00
The calculation of the diluted earnings per share of net profit attributable to the ordinary shareholders of the parent company for the current period	**980,574,130.35**	1,006,602,737.08

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

62. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share (Continued)

For the purpose of the diluted earnings per share is as follows:

Unit: Share

Items	Amount for the year	Amount for last year
Weighted number of ordinary shares outstanding at the end of the year for the purpose of earnings per share	**2,330,105,061.33**	2,338,493,334.67
Add: Impact on the weight number of the employee share incentive schemes of the Group	**15,364.91**	603,768.18
Weighted number of ordinary shares outstanding as at the end of the year	**2,330,120,426.24**	2,339,097,102.85

63. Items in the Cash Flow Statement

(1) Cash related to business activities

Other cash received and related to business activities

RMB

Items	Amount for the year	Amount for last year
Government grants	**172,227,490.20**	197,378,457.58
Interest income	**71,879,828.06**	111,791,789.48
Operating margin	**13,228,710.39**	63,758,869.00
Others	**5,298,491.64**	4,730,625.24
Total	**262,634,520.29**	377,659,741.30

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

63. Notes to Items in the Cash Flow Statement (Continued)

(1) Cash related to business activities (Continued)

Other cash paid and related to operating activities

RMB

Items	**Amount for the year**	Amount for last year
Paid fees	**446,702,969.68**	591,143,662.69
Operating margin	**3,888,123.54**	4,760,439.21
Charitable donation expenses	**539,274.85**	1,661,407.87
Handling charge	**3,952,051.88**	4,983,287.05
Others	**4,410,641.78**	3,255,556.17
Total	**459,493,061.73**	605,804,352.99

(2) Cash related to investment activities

Major cash received and related to investment activities

RMB

Items	**Amount for the year**	Amount for last year
Redemption of bank wealth management products	**5,116,797,352.00**	3,001,281,096.00
Withdrawal of bank fixed deposit certificates	**150,000,000.00**	–
Recovery of prepaid investment	**–**	91,627,037.65
Total	**5,266,797,352.00**	3,092,908,133.65

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

63. Notes to Items in the Cash Flow Statement (Continued)

(2) *Cash related to investment activities (Continued)*

Major cash paid and related to investment activities

RMB

Items	**Amount for the year**	Amount for last year
Purchasing bank wealth management products	**5,076,797,352.00**	3,291,281,096.00
Purchasing bank certificates of deposit	**175,779,709.50**	293,768,000.00
Purchasing transferable and significant bank certificates of deposit	**60,000,000.00**	223,393,073.83
Additional investment in joint ventures	**–**	3,200,000.00
Total	**5,312,577,061.50**	3,811,642,169.83

Other cash received and related to investment activities

RMB

Items	**Amount for the year**	Amount for last year
Recovery of restricted monetary funds such as wealth management margin	**937,389,587.37**	268,780,963.32
Project margin	**7,662,816.30**	19,794,000.00
Other	**19,923,834.37**	–
Total	**964,976,238.04**	288,574,963.32

Other cash paid and related to investment activities

RMB

Items	**Amount for the year**	Amount for last year
Recovery of restricted monetary funds such as wealth management margin	**924,743,445.88**	284,261,298.05
Project margin	**53,722,144.24**	4,826,600.00
Total	**978,465,590.12**	289,087,898.05

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

63. Notes to Items in the Cash Flow Statement (Continued)

(3) Cash related to fundraising activities

Other cash received and related to fundraising activities

RMB

Items	Amount for the year	Amount for last year
Recovery of restricted monetary funds such as bill deposit	**969,167,085.12**	2,400,167,862.10
Recovery of matured pledged certificates of deposit	**207,000,000.00**	67,000,000.00
Total	**1,176,167,085.12**	2,467,167,862.10

Other cash paid and related to fundraising activities

RMB

Items	Amount for the year	Amount for last year
Payment of restricted monetary funds such as bill deposit	**493,576,929.94**	2,030,883,225.67
Share repurchase	**74,768,333.10**	337,385,971.39
Purchasing time deposits for mortgage	**202,000,000.00**	274,000,000.00
Payment of lease fees	**104,645,557.09**	50,484,757.30
Payment of lease margins	**–**	46,435,672.90
Purchase of minority interests	**1,000,000.00**	–
Total	**875,990,820.13**	2,739,189,627.26

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

63. Notes to Items in the Cash Flow Statement (Continued)

(3) Cash related to fundraising activities (Continued)

Changes in Liabilities Arising from Financing Activities

RMB

Items	Opening balance	Increase in the current year		Decrease in the current year		Closing balance
		Cash Changes	Non-cash Changes	Cash Changes	Non-cash Changes	
Other Payables – Employee Share Ownership Plan Repurchase Obligations	8,042,380.00	–	–	249,200.00	5,937,900.00	**1,855,280.00**
Other Payables – Dividends Payable and Interest Payable	37,496,868.99	–	343,707,856.52	335,796,278.34	47,980.08	**45,360,467.09**
Short-term Borrowings	1,016,886,467.84	1,721,017,086.80	–	1,701,021,353.70	204,401,363.27	**832,480,837.67**
Long-term Borrowings (including those due within one year)	9,317,040,495.46	3,555,171,169.00	181,750,000.00	4,288,325,855.46	7,495,622.39	**8,758,140,186.61**
Bonds Payable	3,916,928,685.43	–	148,979,390.48	–	–	**4,065,908,075.91**
Lease Liabilities (including those due within one year)	787,694,649.91	–	115,778,092.26	104,645,557.09	2,219,239.29	**796,607,945.79**
Total	15,084,089,547.63	5,276,188,255.80	790,215,339.26	6,430,038,244.59	220,102,105.03	**14,500,352,793.07**

64. Supplementary Information for Cash Flow Statement

(1) Supplementary information for cash flow statement

RMB

Supplementary information	**Amount for the year**	Amount for last year
(1) Adjust net profit to cash flow from operating activities		
Net profit	**992,608,892.40**	1,016,129,709.03
Add: Asset impairment provision	**202,280,611.18**	356,220,611.54
Credit impairment losses	**(8,038,640.63)**	(71,532,046.19)
Investment property amortisation	**25,589,285.81**	25,574,149.92
Depreciation of fixed assets	**1,571,185,607.90**	1,451,646,328.33
Depreciation of right-of-use assets	**38,917,954.79**	35,037,334.48
Amortisation of intangible assets	**344,783,041.76**	502,573,280.78
Amortisation of long-term fees	**65,535,691.17**	37,858,165.75
Losses for disposal of fixed assets, intangible assets and other long-term assets	**90,854,201.76**	65,984,014.24
Gains on fair value change	**4,578,501.76**	(1,020,354.15)
Financial expenses	**490,944,849.84**	562,439,733.33
Investment gains	**(37,937,217.47)**	(51,804,613.22)
Increase in deferred income tax assets	**(7,760,586.86)**	(106,792,159.33)
Increase (decrease) in deferred income tax liabilities	**(75,753,966.79)**	5,502,058.92
Decrease (increase) in inventory	**(80,880,899.39)**	189,829,238.84
Decrease (increase) in operating receivables	**(206,284,334.74)**	498,117,833.95
Increase (decrease) in operating payables	**(493,350,142.65)**	1,379,704,001.34
Deferred income amortisation	**(30,019,448.85)**	(14,274,834.05)
Increase in special reserve	**18,219,173.19**	19,794,959.37
Equity settled share-based payment	**5,641,382.14**	12,213,142.01
Net cash flow from operating activities	**2,911,113,956.32**	5,913,200,554.89
(2) Significant investment and fundraising activities not involving cash receipts and payments:		
Endorsement of bills receivables for settling engineering equipment payment	**827,168,013.54**	880,864,771.49
Additions of right-of-use assets for the year	**82,889,143.70**	232,756,678.96
Supplier financing settlement payment (Note (VI) 24)	**–**	443,000,000.00
Borrowings formed from the discounting of receivables	**192,667,311.70**	363,115,829.94
(3) Net changes in cash and cash equivalents		
Closing balance of cash and cash equivalents	**3,719,428,902.79**	4,511,627,060.96
Less: Opening balance of cash and cash equivalents	**4,511,627,060.96**	5,479,316,299.60
Net decrease in cash and cash equivalents	**(792,198,158.17)**	(967,689,238.64)

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

64. Supplementary Information for Cash Flow Statement (Continued)

(2) Component of cash and cash equivalents

RMB

Items	Closing balance	Opening balance
1. Cash	**3,719,428,902.79**	4,511,627,060.96
Including: Cash on hand	**2,173,089.90**	18,349.73
Bank deposit available for payment	**3,717,255,812.89**	4,511,608,711.23
Other monetary funds available for payment	**–**	–
2. Cash equivalents	**–**	–
Cash and cash equivalents at the end of the year	**3,719,428,902.79**	4,511,627,060.96

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

65. Foreign Currency Monetary Items

(1) Foreign currency monetary items

Items	Closing balance		
	Foreign currency amounts	Translation exchange rate	RMB amounts
Cash at bank and on hand			
Including: USD	202,185,419.87	7.0288	1,421,121,695.45
EUR	1,456,026.45	8.2355	11,991,105.83
JPY	88,783,065.00	0.0448	3,977,219.89
HKD	10,238,992.79	0.9032	9,248,063.07
AUD	252,157.05	4.6892	1,182,414.84
GBP	3,793.94	9.4346	35,794.31
SGD	20,370.00	5.4586	111,191.68
CHF	103,429.92	8.8510	915,458.17
Total			1,448,582,943.24
Trade receivables			
Including: USD	139,984,263.07	7.0288	983,921,388.27
EUR	717,218.28	8.2355	5,906,651.14
Total			989,828,039.41
Other receivables			
Including: USD	7,392,365.82	7.0288	51,959,460.88
HKD	3,970.00	0.9032	3,585.78
Total			51,963,046.66
Non-current assets due within one year			
Including: USD	20,000,000.00	7.0288	140,576,000.00
Trade payables			
Including: USD	3,035,170.79	7.0288	21,333,608.45
EUR	137,000.00	8.2355	1,128,263.50
Total			22,461,871.95
Other payables			
Including: USD	7,375,000.00	7.0288	51,837,400.00
Borrowings			
Including: USD	58,600,000.00	7.0288	411,887,680.00
HKD	268,320,000.00	0.9032	242,351,990.40
Total			654,239,670.40

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

65. Foreign Currency Monetary Items (Continued)

(2) Description of major foreign operating entities

Name of subsidiary	Principal foreign place of business	Functional currency	Selection Basis
Flat (Vietnam)	Vietnam	Vietnam dong	Based on local economic environment

66. Lease

(1) As a lessee

As a lessee, the lease assets used by the Group in its operations include land, farmers' rooftops, and buildings. The Group's Vietnam-based subsidiaries have leased several plots of land in Vietnam with lease terms ranging from 29 to 42 years. The Group's subsidiary, Fulaitai, has leased several farmers' rooftops with lease terms ranging from 25 to 30 years. All these leases involve fixed lease payments. Short-term leases include the leasing of individual buildings and wharfs. The aforementioned right-of-use assets cannot be used for purposes such as loan collateral or guarantees. As of December 31, 2025, apart from the deposits paid by the Group to the lessor as security interests for the leased assets, the lease agreements do not contain any other security terms. The leased assets may not be used as collateral for borrowings.

Items	Amount for the current year	Amount for the last year
Interest expense on lease liabilities	**32,888,948.56**	29,635,460.43
Simplified handling costs for short-term leases recognized in profit or loss	**14,608,242.00**	13,133,901.50
Total cash outflows related to leases	**119,253,799.09**	63,618,658.80

(2) As a lessor

Item	Lease revenue	Including: income related to variable lease payments not included in the lease receivables
Property leasing	**7,533,956.88**	—

66. Lease (Continued)

(2) As a Lessor (Continued)

The Group's operating leases as a lessor are related to investment properties, with lease terms ranging from 5 to 8 years. The income related to operating leases for the current year amounted to RMB7,533,956.88 (previous year: RMB8,636,019.65). The undiscounted lease receivables expected to be received each year for the five accounting years following the balance sheet date, and the total undiscounted lease receivables expected to be received in the remaining years, are as follows:

RMB

	Closing balance	Opening balance
1 year after the balance sheet date	**6,862,756.49**	3,154,342.78
2 years after the balance sheet date	**7,000,894.31**	762,756.49
3 years after the balance sheet date	**6,605,796.01**	800,894.31
4 years after the balance sheet date	**6,400,000.00**	305,796.01
5 years after the balance sheet date	**6,500,000.00**	–
Total of undiscounted lease receipts	**33,369,446.81**	5,023,789.59

(VII) GOVERNMENT SUBSIDIES

(1) Liability items involving government grants

RMB

Items	Opening balance	Increase for the current year	Recognized in other income during the year	Closing balance	Asset-related/ Income-related
Subsidies for glass production line projects	**202,931,444.12**	**130,255,700.00**	**29,426,479.23**	303,760,664.89	Asset-related
Subsidies for distributed photovoltaic power generation projects	**3,011,040.00**	**–**	**334,560.00**	2,676,480.00	Asset-related
Equipment subsidies	**1,300,000.14**	**–**	**199,999.92**	1,100,000.22	Asset-related
Housing and building subsidies	**–**	**13,843,100.00**	**58,409.70**	13,784,690.30	Asset-related
Total	**207,242,484.26**	**144,098,800.00**	**30,019,448.85**	321,321,835.41	

(2) Government subsidies recognized in current period profit or loss

RMB

Items	Amount for the current year	Amount for the last year	Asset-related / Income-related
Amortization of deferred income	**30,019,448.85**	14,274,834.05	Asset-related
Special grant funds for industrial development	**5,632,739.69**	10,467,188.00	Asset-related
Export credit insurance subsidy	**914,950.76**	4,157,442.91	Asset-related
Special funds for scientific and technological development	**10,818,000.00**	3,185,167.00	Asset-related
Subsidy for retaining and expanding employment positions	**1,713,002.95**	2,745,671.73	Asset-related
Subsidies for High-tech Industries	**3,478,853.02**	1,837,094.43	Asset-related
Subsidy for distributed photovoltaic power generation projects	**453,783.96**	309,277.33	Asset-related
Other	**4,478,545.39**	3,188,167.93	Asset-related
Total	**57,509,324.62**	40,164,843.38	

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

At the end of the year, major financial instruments of the Group include: cash at bank and on hand, held-for-trading financial assets, derivative financial assets, bills receivable and trade receivables, receivables financing, other receivables, bank certificates of deposit in other current assets, debt investment, other debt investment, derivative financial liabilities, bills payable, trade payables, other payables, bonds payable and borrowings. Details of each financial instrument are set out below:

RMB

Items	Closing balance	Opening balance
Financial assets:		
Measured at amortized cost		
Cash in bank and on hand	**4,014,459,672.62**	5,294,894,127.46
Bills receivable	**1,016,212,275.03**	1,106,217,189.54
Trade receivables	**2,428,708,501.94**	2,595,254,216.48
Other receivable	**97,757,698.58**	130,072,141.34
Other current asset (bank deposit)	**377,653,709.50**	357,000,000.00
Non-current assets due within one year	**140,576,000.00**	–
Debt investment	**126,000.00**	143,768,000.00
Measured at fair value through profit or loss		
Held-for-trading financial assets	**480,018,805.88**	520,018,576.54
Derivative financial assets	**1,656,645.00**	698,070.40
Measured at fair value through other comprehensive income		
Receivables financing	**1,124,553,338.33**	1,566,522,584.04
Other debt investment	**290,377,868.35**	223,712,827.25
Financial liabilities		
Measured at amortized cost		
Bills payable	**127,989,845.88**	874,305,689.59
Trade payables	**3,987,254,610.05**	4,023,960,176.25
Other payables (excluding Interest payable)	**147,355,549.47**	118,885,071.18
Bonds payable (including interest payable)	**4,065,908,075.91**	3,941,696,068.93
Borrowing (including interest payable)	**9,598,692,766.31**	10,345,356,628.79
Measured at fair value through profit or loss		
Derivative financial liabilities	**6,305,020.68**	767,714.98

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

The risks related to financial instruments and the risk management policies for risk mitigation of the Group are stated as following. The management of the Company will management and supervise these risk exposures in order to ensure that proper measures are taken expeditiously.

The Group adopts sensitivity analysis to analyze the potential impact of possible reasonable changes in risk variables on current profits and losses or owner's equity. As risk variables seldom change alone and the correlation between variables greatly accounts for the final effect from a change in a certain risk variable, the following assume that the change of each variable is independent.

1. Risk Management Objectives and Policies

The risk management objectives of the Group are to obtain an appropriate balance between risk and return, to reduce negative effects caused by operating results to a lowest level, and to maximise interest of shareholders and other equity investors. Based on these objectives, the basic strategies are to confirm and analyze all potential risks related to the Group, to set appropriate risk limitations, to manage and monitor all risks timely and effectively, and to control the risks within a limited scope.

1.1 Market risk

The Group's business has caused its exposure to financial risks due to the changes in interest rates and foreign exchange rates. The Group believes that the above risks during the year or the manner in which they are managed and measured have not been changed compared to the previous year.

1.1.1 Foreign exchange risk

Foreign exchange risk refers to the risk of loss arising from the losses in exchange rate. The principal activities of the Company and its domestic subsidiaries are denominated and settled in RMB. Subsidiaries of the Group within Indonesia mainly use IDR for settlement and denomination. Some of the Group's transactions are settled in currencies other than functional currencies such as USD, EUR, JPY, HKD, GBP and AUD, and are subject to the resulting foreign exchange risk.

As at 31 December 2025, the Group's foreign currency assets and liabilities are set out below. The foreign exchange risk arising from the assets and liabilities of these foreign currency balances (see Notes (VI) 65 may impact the Group's operating results.

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.1 Market risk (Continued)

1.1.1 Foreign exchange risk (Continued)

RMB

Items	Closing balance	Opening balance
Cash in bank and on the hand	**1,448,582,943.24**	1,504,158,054.99
Trade receivables	**989,828,039.41**	623,411,657.94
Other receivables	**51,963,046.66**	51,878,150.84
Debt investment due within one year	**140,576,000.00**	–
Debt investment	**–**	143,768,000.00
Trade payables	**22,461,871.95**	64,529,510.59
Other payables	**51,837,400.00**	3,085,899.70
Borrowings	**654,239,670.40**	584,509,737.60

The Group closely monitors exchange rate movements and formulates relevant hedging policies to reduce foreign exchange risk. Foreign exchange forward contracts foreign exchange option contract and foreign exchange swap contract can be used to eliminate foreign exchange risk. For the year ended 31 December 2025, the Group entered into contracts in relation to foreign currency assets equivalent to RMB1,350,296,440.89 (equivalent to USD192,109,099.83).

Sensitivity analysis of foreign exchange risk

The following table details the sensitivity of this Group to 5% of the change of foreign exchanges rate from functional currency of related group entities (including: RMB, VND and IDR) to other foreign currencies. Internal reports to senior management adopt such ratio of 5% which represents the estimation of the management on the possible changes of foreign exchange rate. The Group's foreign exchange risk sensitivity analysis at the reporting date includes only monetary items denominated in foreign currencies and does not consider the impact of the derivative financial instruments purchased. Positive refers to an increase in profit before tax due to exchange rate changes, and negative refers to a decrease in profit before tax due to exchange rate changes.

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.1 Market risk (Continued)

1.1.1 Foreign exchange risk (Continued)

Sensitivity analysis of foreign exchange risk (Continued)

RMB

Items	Changes in the exchange rates	Amount for the year		Amount for last year	
		Impact on profit before tax	Impact on Shareholder's equity	Impact on profit before tax	Impact on Shareholder's equity
Entities using RMB as functional currency					
USD	Appreciation of 5% against RMB	**91,727,883.75**	**91,727,883.75**	88,997,873.48	88,997,873.48
USD	Depreciation of 5% against RMB	**(91,727,883.75)**	**(91,727,883.75)**	(88,997,873.48)	(88,997,873.48)
EUR	Appreciation of 5% against RMB	**838,474.67**	**838,474.67**	2,873,160.75	2,873,160.75
EUR	Depreciation of 5% against RMB	**(838,474.67)**	**(838,474.67)**	(2,873,160.75)	(2,873,160.75)
JPY	Appreciation of 5% against RMB	**198,860.99**	**198,860.99**	174,208.52	174,208.52
JPY	Depreciation of 5% against RMB	**(198,860.99)**	**(198,860.99)**	(174,208.52)	(174,208.52)
HKD	Appreciation of 5% against RMB	**(11,655,017.08)**	**(11,655,017.08)**	(23,021,738.69)	(23,021,738.69)
HKD	Depreciation of 5% against RMB	**11,655,017.08**	**11,655,017.08**	23,021,738.69	23,021,738.69
GBP	Appreciation of 5% against RMB	**1,789.72**	**1,789.72**	1,738.95	1,738.95
GBP	Depreciation of 5% against RMB	**(1,789.72)**	**(1,789.72)**	(1,738.95)	(1,738.95)
AUD	Appreciation of 5% against RMB	**59,120.74**	**59,120.74**	59,128.30	59,128.30
AUD	Depreciation of 5% against RMB	**(59,120.74)**	**(59,120.74)**	(59,128.30)	(59,128.30)
Entities using VND as functional currency					
USD	Appreciation of 5% against VND	**15,780,835.13**	**15,780,835.13**	12,237,379.99	12,237,379.99
USD	Depreciation of 5% against VND	**(15,780,835.13)**	**(15,780,835.13)**	(12,237,379.99)	(12,237,379.99)
Entities using IDR as functional currency					
USD	Appreciation of 5% against IDR	**(1,882,726.07)**	**(1,882,726.07)**	–	–
USD	Depreciation of 5% against IDR	**1,882,726.07**	**1,882,726.07**	–	–

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.1 Market risk (Continued)

1.1.2 Interest rate risk

The Group's risks to the changes in cash flows of financial instruments arising from changes in interest rates is primarily related to floating rate bank borrowings and floating rate bank deposits. As at 31 December 2025, the Group's floating borrowings amounted to RMB8,733,140,186.61 (31 December 2024: RMB8,983,041,024.82) (please refer to Notes (VI) 24 and 34). The Group considers that the risk of interest rate changes has no significant impact on floating rate bank deposits. The management of the Group closely monitors interest rate risk. The Group's policy is to maintain the floating interest rate of these loans. At present, there is no interest rate swap arrangement.

Sensitivity analysis of interest rate risk

The sensitivity analysis below is prepared based on the interest rate risk faced by non-derivative instruments at the end of each reporting period. When reporting interest rate risk to the management, the assumption of a 100 basis point increase or decrease for bank borrowings with floating interest rate provisions represents the management's estimates of possible changes in bank borrowings-related interest rates.

If the bank borrowing interest rate rises by 100 basis points, and all other variables remain unchanged, the Group's net profit increase and decrease for the year ended 31 December 2025 (excluding the impact of interest capitalisation) is as follows:

RMB

	Closing balance	Opening balance
Decrease in net profit	**70,789,789.17**	72,903,862.58
Decrease in shareholders' equity	**70,789,789.17**	72,903,862.58

If the bank borrowing interest rate drops by 100 basis points and all other variables remain unchanged, the annual net profit and year-end shareholders' equity will increase by the same amount as described above.

The management believes that the above sensitivity analysis does not represent interest rate risk because the year-end risk exposure does not reflect the risk exposure for the year.

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.2 Credit risk

As at 31 December 2025, the maximum credit risk exposure that may cause the Group's credit losses is mainly due to the loss of the Group's financial assets caused by the failure of the other party to perform its obligations and the financial guarantees undertaken by the Group (without considering available collateral or other credit enhancements), specifically: cash at bank and on hand (Note (VI) 1), bills receivable (Note (VI) 4), trade receivables (Note (VI) 5), financing receivables (Note (VI) 6), other receivables (Note (VI) 8), bank certificates of deposit in other current assets (Note (VI) 11), debt investment (Note (VI) 12), other debt investment (Note (VI) 13), etc., and held-for-trading financial assets (Note (VI) 2) and derivative financial assets that are not included in the scope of impairment assessment (Note (VI) 3), etc. As at the balance sheet date, the carrying amount of the Group's financial assets has represented its maximum credit risk exposure.

In order to reduce credit risk, the Group has established a team responsible for determining the credit limits and conducting credit approval. At the same time, the Group performs other monitoring procedures to ensure that necessary measures are taken to recover overdue claims. In addition, the Group reviews the recovery of financial assets on each balance sheet date to ensure that adequate credit loss provisions are made for the relevant financial assets. As a result, the management of the Group believes that the credit risk assumed by the Group has been significantly reduced.

The Group's cash at bank and on hand and bank certificates of deposit are deposited in banks with higher credit ratings, so cash at bank and on hand and bank certificates of deposit is subject to lower credit risk. For bank acceptance bills held, the management of the Group believes that the credit risk arising from bank default is low. For details, please refer to Note (VI) 4 and Note (VI) 6. For other receivables, the Group considers that there is no significant expected credit loss risk for other receivables after considering the nature of the other receivables and assessments. For details, please refer to Note (VI) 8.

The Group has adopted necessary policies to ensure that all sales customers have a good credit record. Except for the top five accounts receivable disclosed in Note (VI) 5, the Group has no other significant credit concentration risk.

1.3 Liquidity risk

In managing the liquidity risk, the Group maintains and monitors the cash and cash equivalents that the management considers adequate to meet the Group's operational needs and mitigate the impact of fluctuations in cash flows. The management of the Group closely monitors the liquidity situation and expects to have sufficient sources of financing to finance the Group's operations. The management of the Group believes that the Group does not have any significant liquidity risk.

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.3 Liquidity risk (Continued)

According to the term to maturity of non-discounted and remaining contract obligations, the financial liabilities held by the Group are analyzed as below:

RMB

Items	Within one year	One to two years	Two to five years	Over five years	Total undiscounted cash flows	Book balance
Short-term borrowings	842,535,776.65	-	-	-	842,535,776.65	832,480,837.67
Bills payable	127,989,845.88	-	-	-	127,989,845.88	127,989,845.88
Trade payables	3,987,254,610.05	-	-	-	3,987,254,610.05	3,987,254,610.05
Other payables (excluding interests payable)	147,355,549.47	-	-	-	147,355,549.47	147,355,549.47
Long-term borrowings (including due within 1 year)	2,544,491,644.00	2,462,761,100.30	3,283,800,038.30	1,161,411,037.14	9,452,463,819.74	8,758,140,186.61
Bonds payables (including due within 1 year)	59,998,260.00	71,997,912.00	4,479,870,080.00	-	4,611,866,252.00	4,065,908,075.91
Long-term payables (including due within 1 year)	49,440,000.00	-	-	-	49,440,000.00	47,989,504.57

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

2. Transfer of Financial Assets

2.1 Classification of transfer methods

RMB

Transfer methods	Nature of transferred financial assets	Amount of transferred financial assets	Derecognition status	Basis for derecognition judgment
Endorsement	Bank acceptance	6,259,657,695.12	Derecognition in entirety	The acceptor bank has a high credit rating, and the risk of recourse is minimal.
Discounting	Bank acceptance	2,047,537,259.67	Derecognition in entirety	
Endorsement	Bank acceptance	521,361,034.99	Derecognition	The accepting bank is of moderate credit standing, with the risk of recourse being present.
Discounting	Bank acceptance	1,040,837.67	Derecognition	
Total		8,829,596,827.45		

2.2 Financial assets derecognized due to transfer

RMB

Transfer methods	Transfer methods of financial assets	Amount of transferred financial assets	Losses related to derecognition
Bank acceptance	Endorsement	6,259,657,695.12	–
Bank acceptance	Discounting	2,047,537,259.67	5,368,338.62
Total		8,307,194,954.79	5,368,338.62

(IX) DISCLOSURE OF FAIR VALUE

1. Fair Value of the Closure Balance of Assets and Liabilities Measured at Fair Value

RMB

Items	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
Fair value as at 31 December 2025				
I. Continuous fair value				
(I) Trading financial assets-equity instrument investment	**18,805.88**	**–**	**–**	**18,805.88**
(II) Trading financial assets – financial products	**–**	**–**	**480,000,000.00**	**480,000,000.00**
(III) Financing receivables	**–**	**–**	**1,124,553,338.33**	**1,124,553,338.33**
(IV) Derivative financial assets	**–**	**1,656,645.00**	**–**	**1,656,645.00**
(V) Other debt investment	**–**	**–**	**290,377,868.35**	**290,377,868.35**
(VI) Derivative financial liabilities	**–**	**6,305,020.68**	**–**	**6,305,020.68**
Fair value as at 31 December 2024				
I. Continuous fair value				
(I) Trading financial assets-equity instrument investment	18,576.54	–	–	18,576.54
(II) Trading financial assets – financial products	–	–	520,000,000.00	520,000,000.00
(III) Financing receivables	–	–	1,566,522,584.04	1,566,522,584.04
(IV) Derivative financial assets	–	698,070.40	–	698,070.40
(V) Other debt investment	–	–	223,712,827.25	223,712,827.25
(VI) Derivative financial liabilities	–	767,714.98	–	767,714.98

2. The Basis for Determining the Market Value of the Item Continuing Measured at Level 1 fair Value

The item continuing to be measured at the level 1 fair value refers to other equity instruments, with fair value quoted in the secondary stock market.

3. Valuation Techniques and Qualitative and Quantitative Information on Important Parameters Adopted for the Second Level of Continuous and Non-continuous Fair Value Measurement

RMB

Items	Fair value as at 31 December 2025	Valuation techniques	Main input value
Financial assets at FVTPL – derivative financial assets	**1,656,645.00**	Discounted cash flow method	Forward exchange rate
Financial assets at FVTPL – derivative financial liabilities	**6,305,020.68**	Discounted cash flow method	Forward exchange rate

(IX) DISCLOSURE OF FAIR VALUE (Continued)

4. Valuation Techniques and Qualitative and Quantitative Information on Important Parameters Adopted for the Third Level of Fair Value Measurement Items

RMB

Items	Fair value as at 31 December 2025	Valuation technique	Significant unobservable input	Range
Trading financial assets – bank wealth management products	**480,000,000.00**	Discounted cash flow method	Expected rate of return of products	1.45%-2.70%
Financing receivables	**1,124,553,338.33**	Discounted cash flow method	Expected discount rate	0.25%-1.01%
Other debt investment	**290,377,868.35**	Discounted cash flow method	Expected rate of return of products	1.90%, 2.50%, 2.55%

Continuous level-3 fair value measurement items, the reconciliation information between the book values at the beginning and the end of the period and the sensitivity analysis of unobservable parameters

RMB

Items	1 January 2025	Transferred into Level 3	Transferred out of Level 3	Total gains or losses for current year: Included in profit or loss	Total gains or losses for current year: Included in other comprehensive income	Purchase, issuance, sales and settlement: Purchase/ increase	Purchase, issuance, sales and settlement: Issuance	Purchase, issuance, sales and settlement: Sales	Purchase, issuance, sales and settlement: Settlement/ decrease	31 December 2025	Assets held at the end of the reporting period are included in profit or loss for the change of unrealized gains or losses for current year
Trading financial assets – bank wealth management products	520,000,000.00	–	–	8,789,497.99	–	5,076,797,352.00	–	–	5,125,586,849.99	**480,000,000.00**	–
Financing receivables	1,566,522,584.04	–	–	–	–	7,601,926,734.63	–	–	8,043,895,980.34	**1,124,553,338.33**	–
Other debt investment	223,712,827.25	–	–	6,665,041.10	–	60,000,000.00	–	–	–	**290,377,868.35**	6,665,041.10

(IX) DISCLOSURE OF FAIR VALUE (Continued)

5. During the years ended 31 December 2025 and 2024, there were no transfers between Level 1, Level 2, and Level 3 within the Group.

6. Fair Value of Financial Assets and Financial Liabilities Not Measured at Fair Value

As of 31 December 2025, the management of the Group believes that the carrying amounts of financial assets and liabilities measured at amortized cost apart from bond payables in the financial statements are close to the fair values of these assets and liabilities. As of December 31, 2025, the carrying amount of bond payables in the financial statements of the Group was RMB4,065,908,075.91, and the fair value was RMB4,296,874,089.34.

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. The Group's actual controllers

The actual controllers of the Group are Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun and Mr. Zhao Xiaofei.

2. The Group's subsidiaries

Please refer to Note (V),1 for relevant information of subsidiaries.

3. Associates of the Group

Associates that had related party transactions with the Group in the year are as follows:

Name of enterprise	Relationship with the Group
Kaihong Flat	Associate
Jiaxing Gas	Associate

4. Related Party Transactions

Enterprise name	Relationship with the connected party
Jiaxing Yihe Investment Co., Ltd.* (嘉興義和投資有限公司)	Controlled by one of the actual controllers of the Company
Fengyang Hongding Port Co., Ltd.* (鳳陽鴻鼎港務有限公司)	Controlled by one of the actual controllers of the Company

* *for identification purpose only*

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

5. Related Party Transaction

(1) Sales of goods/providing labor service

RMB

Related party	Content of the related party transaction	**Amount for the year**	Amount for last year
Kaihong Flat	Sales of goods, sale of low-value consumables	**3,951,980.97**	2,519,271.60

(2) Purchase of goods/accepting labor service

RMB

Related party	Content of the related party transaction	**Amount for the year**	Amount for last year
Jiaxing Gas	Purchase of raw materials	**156,100,264.08**	226,475,764.30
Kaihong Flat	Accepting labor service	**696,099,120.16**	420,932,519.91
Total		**852,199,384.24**	647,408,284.21

(3) Related rental income

RMB

Related party	Content of the related party transaction	**Amount for the year**	Amount for last year
Kaihong Flat	House lease	**369,821.33**	352,210.79

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

5. Related Party Transaction (Continued)

(4) Related rental expense

RMB

Related party	Content of the related party transaction	Amount for the year	Amount for last year
Jiaxing Yihe Investment Co., Ltd.* (嘉興義和投資有限公司)	House lease	**8,499,629.28**	8,499,629.28
Fengyang Hongding Port Co., Ltd.* (鳳陽鴻鼎港務有限公司)	Pier lease	**2,477,064.22**	1,651,376.15
Total		**10,976,693.50**	10,151,005.43

RMB

Related party	Type of leased asset	Short-term lease with simplified processing		Rentals paid		Interest expense on committed lease liabilities		Addition of right-of-use assets	
		Amount for the year	Amount for last year	Amount for the year	Amount for last year	Amount for the year	Amount for last year	Amount for the year	Amount for last year
Jiaxing Yihe Investment Co., Ltd.*	House lease	**8,499,629.28**	8,499,629.28	**9,016,599.84**	9,016,599.84	-	-	-	-
Fengyang Hongding Port Co., Ltd.*	Pier lease	**2,477,064.22**	1,651,376.15	**3,000,000.00**	1,800,000.00	-	-	-	-
Total		**10,976,693.50**	10,151,005.43	**12,016,599.84**	10,816,599.84	-	-	-	-

* *for identification purpose only*

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

5. Related Party Transaction (Continued)

(5) Remuneration of key management personnel

RMB

Item	Amount for the year	Amount for last year
Remuneration of key management personnel	**10,144,641.49**	10,828,731.06

6. Amounts Due to/from Related Parties

RMB

Items	Related parties	Closing balance	Opening balance
Receivables	Kaihong Flat	**565,600.00**	381,802.92
Advance Payments	Jiaxing Gas	**1,983,520.33**	205,119.72
Other receivables	Jiaxing Gas	**1,560,000.00**	1,500,000.00
Other current assets	Fengyang Hongding Port Co., Ltd.*	**688,073.38**	412,844.04
Trade payables	Kaihong Flat	**41,459,331.16**	82,027,841.95
Trade payables	Jiaxing Yihe Investment Co., Ltd.*	**258,398.65**	270,035.99
Trade payables	Jiaxing Gas	**2,991,277.37**	–
Total		**44,709,007.18**	82,297,877.94
Other payables	Kaihong Flat	**500,000.00**	500,000.00

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

7. Directors' Remuneration

2025

RMB

Name	Remuneration	Salaries and other benefits (Note 1)	Bonus (Note 3)	Post-employment benefits (Note 2)	Total
Executive Directors					
Ruan Hongliang	–	1,172,112.64	36,000.00	47,398.20	1,255,510.84
Jiang Jinhua	–	815,326.22	36,000.00	–	851,326.22
Ruan Zeyun	–	1,129,534.75	36,000.00	47,398.20	1,212,932.95
Wei Yezhong	–	622,178.60	36,000.00	44,048.85	702,227.45
Shen Qifu	–	594,011.31	36,000.00	43,685.85	673,697.16
Independent non-executive Directors					
Xu Pan	100,000.00	–	–	–	100,000.00
Du Jian	100,000.00	–	–	–	100,000.00
Ng Yau Kuen Carmen	193,881.32	–	–	–	193,881.32
Employee Director					
Niu Liping	–	183,873.64	16,492.00	13,719.45	214,085.09
Total	393,881.32	4,517,037.16	196,492.00	196,250.55	5,303,661.03

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

7. Directors' Remuneration (Continued)

2024

RMB

Name	Remuneration	Salaries and other benefits (Note 1)	Bonus (Note 3)	Post-employment benefits (Note 2)	Total
Executive Directors					
Ruan Hongliang	–	1,244,635.40	36,000.00	46,265.66	1,326,901.06
Jiang Jinhua	–	884,659.91	36,000.00	–	920,659.91
Ruan Zeyun	–	1,205,877.43	36,000.00	65,585.94	1,307,463.37
Wei Yezhong	–	635,220.71	36,000.00	45,964.16	717,184.87
Shen Qifu	–	655,546.37	36,000.00	49,819.13	741,365.50
Independent non-executive Directors					
Hua Fulan (Note 4)	91,666.67	–	–	–	91,666.67
Xu Pan	100,000.00	–	–	–	100,000.00
Ng Yau Kuen Carmen	192,725.52	–	–	–	192,725.52
Du Jian (Note 4)	8,333.33	–	–	–	8,333.33
Total	392,725.52	4,625,939.82	180,000.00	207,634.89	5,406,300.23

Note 1: Other benefits include housing provident fund, medical insurance, work injury insurance, and maternity insurance borne by the Company.

Note 2: Post-employment benefits include endowment insurance and unemployment insurance undertaken by the Company.

Note 3: The bonus is determined based on the Director's performance.

Note 4: Ms. Hua Fulan, an independent non-executive director of our group, resigned in 2024. Our company has appointed Ms. Du Jian as an independent non-executive director of our company.

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

7. Directors' Remuneration (Continued)

The top five highest paid employees this year are two directors (last year: two), and their remunerations have been reflected in Directors' salaries. The salaries of the other three members (last year: three) are as follows:

RMB

	Total of this year	Total of last year
Salaries and other benefits	**3,275,845.14**	3,389,274.85
Post-employment benefits	**205,484.64**	164,903.77
Bonus	**108,000.00**	108,000.00
Share-based Payments	**277,341.95**	805,430.81
Total	**3,866,671.73**	4,467,609.43

Pay range:

	Number of this year	Number of last year
Below HK$1,000,000	**–**	–
HK$1,000,001 to HK$1,500,000	**4**	5
HK$1,500,001 to HK$2,000,000	**1**	–

(XI) SHARE-BASED PAYMENTS

1. Details of share-based payments

(1) Restricted A Share Incentive Scheme

Pursuant to the Resolution on Restricted A Share Incentive Scheme for 2020 of Flat Glass Group Co., Ltd. (Draft) and its Summary ("Restricted A Share Incentive Scheme For 2020"), the Resolution on Assessment Management Measures for the Implementation of the Restricted A Share Incentive Scheme for 2020 of Flat Glass Group Co., Ltd. as considered and approved at the 16th meeting of the fifth session of the Board held by the Company on 29 April 2020, the Resolution on Restricted A Share Incentive Scheme for 2020 of Flat Glass Group Co., Ltd. (Draft) and its Summary and the Resolution on Assessment Management Measures for the Implementation of the Restricted A Share Incentive Scheme for 2020 of Flat Glass Group Co., Ltd. as considered and approved at the 2019 Annual General Meeting held on 29 June 2020, 2020 first A shareholders class meeting and 2020 first H shareholders class meeting and the Resolution on Adjusting the List of Participants and the Number of Restricted Shares Granted in the First Grant in Restricted A Share Incentive Scheme for 2020 of the Company and the Resolution on the First Grant of Restricted A Shares to the Participants as considered and approved at the 23rd meeting the fifth session of the Board held by the Company on 11 August 2020. The first grant date of restricted shares was 11 August 2020. A total of 15 participants actually subscribed for 4,600,000 RMB ordinary shares (A shares), with a par value of RMB0.25 per share at a grant price of RMB6.23 per share. The sales restriction period of each batch of restricted shares in the Restricted A Share Incentive Scheme For 2020 is 12 months, 24 months, 36 months, 48 months and 60 months from the date of completion of the first grant registration. The Company shall repurchase and cancel the restricted shares that have not applied for lifting the restrictions within the agreed period or that cannot be lifted due to the failure to meet the conditions for lifting the restrictions. The repurchase price is the grant price.

Authorised by the Company's 2019 annual general meeting, the first A share class meeting in 2020, and the first H share class meeting in 2020, the Company held the second meeting of the sixth session of the board of directors on 25 May 2021, in which the Resolution on the Reserved Grant of the Restricted A Shares To Participants was reviewed and approved. According to the resolution, the Company set the grant date on 25 May 2021 and granted 700,000 restricted A shares to 3 eligible participants, at the grant price of RMB14.23 per share. The lock-up periods for the restricted shares are 12 months, 24 months, 36 months, 48 months, and 60 months from the date of completion of the first grant registration. For the restricted shares that have not been applied for unlocking or cannot be applied for unlocking due to failure to meet the unlocking conditions during the aforesaid unlocking periods, the Company will repurchase and cancel such restricted shares from relevant participants in accordance with the principles of the incentive scheme.

(XI) SHARE-BASED PAYMENTS (Continued)

1. Details of share-based payments (Continued)

(1) Restricted A Share Incentive Scheme (Continued)

The Company held the 54th meeting of the sixth session of the board of directors and the 42th meeting of the sixth session of the board of supervisors on 7 June 2024 to review and approve the Resolution About the First Grant of the 2020 Restricted A Share Incentive Scheme for the Reserved Part of the Second Unlocking Period for the Achievement of Removing the Sales Restriction Conditions. According to the resolution, we lifted the sales restriction of the 140,000 restricted shares that met the conditions for lifting the restriction during the third lock-up period. The lifting of restrictions on sales has been authorised by the Company's 2019 annual general meeting, the first A share class meeting in 2020 and the first H share class meeting in 2020.

The Company held the 58th meeting of the sixth session of the board of directors and the 43rd meeting of the sixth session of the board of supervisors on 27 August 2027 to review and approve the Resolution About the First Grant of the 2020 Restricted A Share Incentive Scheme for the Reserved Part of the Third Unlocking Period for the Achievement of Removing the Sales Restriction Conditions. According to the resolution, we lifted the sales restriction of the 860,000 restricted shares that met the conditions for lifting the restriction during the forth lock-up period. The lifting of restrictions on sales has been authorised by the Company's 2019 annual general meeting, the first A share class meeting in 2020 and the first H share class meeting in 2020.

On 27 August 2024, the 58th meeting of the sixth Board of Directors and the 43rd meeting of the sixth Board of Supervisors were convened. The proposal "On the Repurchase and Cancellation of Certain Shares Granted under the 2020 A-Share Restricted Stock Incentive Plan" was reviewed and approved. Given that one incentive recipient has resigned for personal reasons and no longer meets the incentive criteria, the Board agreed to repurchase and cancel 120,000 restricted shares that have been granted but not yet released from restrictions. The total repurchase amount is RMB747,600. In addition, the cash dividends corresponding to the shares to be repurchased and cancelled, which were originally held in custody, will also be recovered. This repurchase and cancellation matter has been authorized by the Company's 2019 Annual General Meeting, the 2020 First A-Share Category General Meeting, and the 2020 First H-Share Category General Meeting.

(XI) SHARE-BASED PAYMENTS (Continued)

1. Details of share-based payments (Continued)

(1) Restricted A Share Incentive Scheme (Continued)

The 7th Board of Directors' 7th Meeting and the 7th Supervisory Board's 5th Meeting held on June 23, 2025, deliberated and approved the Proposal on the Fulfillment of Vesting Conditions for the fourth Vesting Period of the Reserved Portion of the 2020 A Share Restricted Share Incentive Plan. The Company agreed to lift the restriction on sale of 140,000 restricted shares that meet the vesting conditions for the fourth vesting period. This vesting matter has been authorized by the Company's 2019 Annual General Meeting, the 2020 First A Share Class Meeting, and the 2020 First H Share Class Meeting.

The 7th Board of Directors' 8th Meeting and the 7th Supervisory Board's 6th Meeting held on August 27, 2025, deliberated and approved the Proposal on the Fulfillment of Vesting Conditions for the Fifth Vesting Period of the Initial Grant Portion of the 2020 A Share Restricted Share Incentive Plan. The Company agreed to lift the restriction on sale of 820,000 restricted shares that meet the vesting conditions for the fifth vesting period. This vesting matter has been authorized by the Company's 2019 Annual General Meeting, the 2020 First A Share Class Meeting, and the 2020 First H Share Class Meeting.

The 7th Board of Directors' 8th Meeting and the 7th Supervisory Board's 6th Meeting held on August 27, 2025, deliberated and approved the Proposal on the Repurchase and Cancellation of Certain Shares under the Initial Grant Portion of the 2020 A Share Restricted Share Incentive Plan. In view of the fact that one incentive recipient engaged in illegal or disciplinary misconduct resulting in the termination of labor relations by the Company, and is no longer eligible for the incentive, the Company agreed to repurchase and cancel 40,000 restricted shares that have been granted but not yet vested, at a total repurchase price of RMB249,200, while recovering the cash dividends originally held in escrow corresponding to such shares to be repurchased and cancelled. This repurchase and cancellation matter has been authorized by the Company's 2019 Annual General Meeting, the 2020 First A Share Class Meeting, and the 2020 First H Share Class Meeting.

(XI) SHARE-BASED PAYMENTS (Continued)

1. Details of share-based payments (Continued)

(2) Share Option Scheme

According to the Resolution About the 2021 A Share Option Incentive Scheme of Flat Glass Group Co., Ltd. (Draft) and Its Summary, Resolution on the Administrative Measures for the Implementation of the 2021 A Share Option Incentive Scheme of Flat Glass Group Co., Ltd. which were reviewed and approved by the seventh meeting of the sixth session of the board of directors and the fifth meeting of the sixth session of the board of supervisors held by the Company on 17 August 2021, the Resolution on the 2021 A Share Option Incentive Scheme of Flat Glass Group Co., Ltd. (Revised Draft) and Its Summary and Resolution on Flat Glass Group Co., Ltd. 2021 A Share Option Incentive Scheme (Revised Draft) which were reviewed and approved by the eighth meeting of the sixth session of the board of directors held on 12 October 2021 and the sixth meeting of the sixth session of the board of supervisors, the Resolution on the First Grant of 2021 A Share Options to Participant, which was reviewed and approved by the eleventh meeting of the sixth session of the board of directors held by the company on 19 November 2021 by authorisation of the Company's third extraordinary general meeting in 2021, the third A share class meeting in 2021 and the third H share class meeting in 2021, the first grant date was set on 19 November 2021 and 5,341,072 A share options were granted to 288 eligible participants, with exercise price RMB44.02 per share. During the share option registration process after the authorisation date was determined, 5 participants gave up the subscription due to personal reasons. The company actually granted a total of 5,245,472 A share options to 283 participants. The lock-up periods for the exercise periods of the first grant of share options are 12 months, 24 months, 36 months, 48 months, and 60 months from the date of first grant of partial share options. The share options not fulfilling the exercise conditions during the above lock-up periods shall not be exercised or deferred to the next exercise period, and the Company shall cancel the corresponding share options of the participants according to the terms stipulated in the incentive scheme. After the expiration of each exercise period of the share options, the relevant share options that have not been exercised by the participants shall be terminated, and the Company will cancel the share options.

The Company convened the 7th Board of Directors' 6th Meeting and the 7th Supervisory Board's 4th Meeting on April 29, 2025, and the 2024 Annual General Meeting on June 16, 2025, which deliberated and approved the Proposal on the Termination of the 2021 A Share Share Option Incentive Plan and the Cancellation of Share Options. The Company agreed to terminate the implementation of the 2021 A Share Share Option Incentive Plan and cancel the share options that have been granted but not yet exercised under the incentive plan.

(XI) SHARE-BASED PAYMENTS (Continued)

1. Details of share-based payments (Continued)

(2) Share Option Scheme (Continued)

Share

Items	**Share option incentive scheme 2021**	Restricted A Share Incentive Scheme for 2020
Total equity instruments outstanding at the beginning of the year	**2,098,188.80**	1,140,000.00
Total equity instruments unlocked for the current year	**–**	(960,000.00)
Total equity instrument invalid for the current year	**(2,098,188.80)**	(40,000.00)
Total equity instruments outstanding at the end of the year	**–**	140,000.00
Exercise price in respect of equity instruments outstanding at the end of the year	**–**	RMB14.23
Remaining contract terms in respect of equity instruments outstanding at the end of the year	**–**	Approximately 0. 4 years

Unit：Share, RMB

Participants granted	**Unlocked shares for the current year**		Invalid shares for the current year	
	Quantity	**Amount**	Quantity	Amount
Senior managers	**160,000.00**	**3,041,600.00**	–	–
Core employee	**800,000.00**	**14,552,800.00**	2,138,188.80	15,271,644.51
	960,000.00	**17,594,400.00**	2,138,188.80	15,271,644.51

Share option or equity instruments outstanding at the end of the year

Participants granted	**Restricted shares outstanding at the end of the year**	
	Price	**Remaining contract term**
Core employee	**RMB14.23**	**Approximately 0.4 years,**

(XI) SHARE-BASED PAYMENTS (Continued)

2. Equity settled share-based payments

RMB

	Share option incentive scheme 2021	Restricted A Share Incentive Scheme for 2020
Method for determining the fair value as at the grant date	**Black-Scholes Model**	Open market quotation of the grant date
Basis for determining the number of equity instruments with exercisable rights	**When the optionee reaches the exercise period in the stock option scheme, and meets the appraisal conditions of the Company's results and personal performance, the corresponding equity instrument is the equity instrument of the exercisable right**	When the optionee reaches the exercise period in the stock option scheme, and meets the appraisal conditions of the Company's results and personal performance, the corresponding equity instrument is the equity instrument of the exercisable right
Reasons for significant differences of estimate between the current year and the previous period	**Nil**	Nil
Cumulative amount of equity settled share-based payment recognised into capital reserves	**27,214,929.25**	94,277,189.27
Total recognised fees of share-based payment settled in equity in the current year	**3,815,408.23**	1,825,973.91

(XI) SHARE-BASED PAYMENTS (Continued)

2. Equity settled share-based payments (Continued)

Determination method of fair value of equity instruments: The fair value is determined using Black-Scholes Model. The related data as at the grant date entered to the model are as below:

	Share option incentive scheme 2021
Exercise price of share option	**RMB44.02/share**
Market price on the date of share grant	**RMB42.89/share**
Standard Deviation − Annualised Volatility	**14.73%~18.71%**
Risk free rate	**1.50%~2.75%**
Expected duration	**5 years**

(XII) COMMITMENTS AND CONTINGENCIES

1. Significant Matters of Commitments

Capital Commitment

As of the balance sheet date, the irrevocable purchase of long-term assets contracts signed by the Group is as follows:

RMB

	Closing balance	Opening balance
Contracted but not confirmed in the financial statements Purchase − Build long-term asset commitments	**4,097,682,857.50**	4,324,867,408.98

2. Contingencies

The Group does not have any significant contingencies that need to be disclosed.

(XIII) EVENTS AFTER THE BALANCE SHEET DATE

On March 26, 2026, the Company convened the 17th meeting of the Seventh Board of Directors, at which the Proposal on the 2025 Annual Profit Distribution Plan of the Company was reviewed and approved. It is proposed to distribute cash dividends of RMB1.50 (inclusive of tax) per 10 shares, based on the total share capital of 2,342,880,327 shares as of March 1, 2026, after deducting 13,308,421 A shares held in the Company's repurchase securities account, resulting in a base of 2,329,571,906 shares. The total proposed cash dividends amount to RMB349,435,785.90 (inclusive of tax). The aforesaid profit distribution plan is subject to approval by the 2025 Annual General Meeting.

(XIV) OTHER SIGNIFICANT MATTERS

1. Segment Report

According to the internal organisational structure, management requirements and internal reporting system of the Group, the Group's operating activities are divided into certain operating segments. Based on the operating segments, the Group has identified certain reporting segments, namely the PV glass segment, the household glass segment, architectural glass segment, float glass segment, mining products, electricity generation revenue segment. These reporting segments are based on product categories. The main products provided by each of the Group's reporting segments are PV glass, household glass, architectural glass, float glass, mining products, electricity generation revenue. The management of the Group regularly evaluates the operating results of these segments to determine the resources to be allocated to them and to evaluate their performance. The evaluation does not include the review of the assets and liabilities of the operating segments. Transfer transactions between segments are measured on the basis of actual transaction prices, and segment revenue and segment expenses are determined based on the actual revenue and expenses of each segment.

(XIV) OTHER SIGNIFICANT MATTERS (Continued)

1. Segment Report (Continued)

(1) Segment report information

RMB

	Amount for the year								
	PV glass	Household glass	Architectural glass	Float glass	Mining products	Electricity generation revenue	Other business	Mutual offset among segments	Total
Segment operating revenue	13,986,092,628.22	250,572,553.63	543,572,698.79	110,679,415.18	92,761,172.51	503,814,473.27	79,295,631.76	-	15,566,788,573.36
Segment operating costs	11,732,897,201.53	219,202,145.10	358,220,282.63	125,810,448.49	123,178,711.36	341,711,442.30	33,704,566.22	-	12,934,724,797.63
Segment profit (loss)	2,253,195,426.69	31,370,408.53	185,352,416.16	(15,131,033.31)	(30,417,538.85)	162,103,030.97	45,591,065.54	-	2,632,063,775.73
Adjusted items								-	
Less: Taxes and surcharges								-	155,023,457.45
Selling expenses								-	69,465,428.93
Administrative expenses								-	336,100,941.29
Research and development expenses								-	430,683,427.96
Financial expenses								-	413,485,576.66
Including: Interest expense								-	514,688,309.56
Interest income								-	78,544,869.16
Add: Other income								-	104,319,682.50
Investment income								-	37,937,217.47
Including: Gains on investment in associates								-	23,620,234.79
Losses from changes in fair value								-	(4,578,501.76)
Credit impairment losses								-	8,038,640.63
Asset impairment losses								-	(202,280,611.18)
Losses on disposal of assets								-	(90,854,201.76)
II. Operating profit								-	1,079,887,169.34
Add: Non-operating income								-	5,298,491.64
Less: Non-operating expenses								-	4,949,916.63
III. Total profit								-	1,080,235,744.35
Less: Income tax expense								-	87,626,851.95
IV. Net profit								-	992,608,892.40

(XIV) OTHER SIGNIFICANT MATTERS (Continued)

1. Segment Report (Continued)

(1) *Segment report information (Continued)*

RMB

	Amount for last year								
	PV glass	Household glass	Architectural glass	Float glass	Mining products	Electricity generation revenue	Other business	Mutual offset among segments	Total
Segment operating revenue	16,816,104,203.15	308,338,949.63	502,124,378.61	282,820,423.59	311,476,723.57	421,258,696.03	40,479,103.78	-	18,682,602,478.36
Segment operating costs	14,186,517,014.81	267,232,244.36	465,934,478.67	292,959,618.69	262,339,421.38	290,656,450.91	21,967,289.46	-	15,787,606,518.28
Segment profit (loss)	2,629,587,188.34	41,106,705.27	36,189,899.94	(10,139,195.10)	49,137,302.19	130,602,245.12	18,511,814.32	-	2,894,995,960.08
Adjusted items									
Less: Taxes and surcharges									196,311,824.63
Selling expenses									51,974,447.60
Administrative expenses									327,558,607.22
Research and development expenses									604,788,932.74
Financial expenses									407,493,717.54
Including: Interest expense									569,813,716.98
Interest income									126,044,839.70
Add: other income									121,137,364.75
Investment income									51,804,613.22
Including: Gains on investment in associates									18,629,460.08
Gains from changes in fair value									1,020,354.15
Credit impairment gains									71,532,046.19
Asset impairment losses									(356,220,611.54)
Losses on disposal of assets									(65,984,014.24)
II. Operating profit									1,130,158,182.88
Add: Non-operating income									4,730,625.24
Less: Non-operating expenses									6,380,288.33
III. Total profit									1,128,508,519.79
Less: Income tax expense									112,378,810.76
IV. Net profit									1,016,129,709.03

(XIV) OTHER SIGNIFICANT MATTERS (Continued)

1. Segment Report (Continued)

(2) Income by geographical area

RMB

Items	Amount for the year	Amount for last year
PRC	**10,513,692,930.11**	14,277,293,828.74
Asia (excluding the PRC)	**3,207,790,836.79**	3,109,178,385.96
Europe	**189,172,598.11**	162,939,436.36
North America	**1,642,239,982.55**	1,114,478,083.29
Others	**13,892,225.80**	18,712,744.01
Total	**15,566,788,573.36**	18,682,602,478.36

(3) Non-current assets by location

RMB

Items (Note)	Closing balance	Opening balance
PRC	**27,920,032,252.63**	26,891,990,501.07
Vietnam	**1,362,250,402.39**	1,456,783,249.02
Indonesia	**200,621,531.46**	–
Total	**29,482,904,186.48**	28,348,773,750.09

Note: The above non-current assets do not include deferred income tax assets and financial assets.

The management of the Group does not evaluate the assets and liabilities of the above operating segments, hence no the assets and liabilities of the above reporting segments were not disclosed.

(XV) OTHER SIGNIFICANT MATTERS (Continued)

1. Segment Report (Continued)

(4) Reliance on major customers

In 2025, the income from 3 customers for PV glass segment account for 14%, 13% and 11% (2024: 18%, 11% and 11%) of the Group's total revenue, respectively.

2. Net profit for the year had deducted the following items

RMB

Items	**Amount for the year**	Amount for last year
Employees' salaries (including directors' salaries)	**805,697,257.01**	884,139,081.25
Basic pension insurance	**68,407,898.17**	74,183,086.67
Total employees' salaries	**874,105,155.18**	958,322,167.92
Audit fee	**3,400,000.00**	3,700,000.00
Depreciation and amortisation (included in operating cost, selling expenses, administrative expenses and research and development expenses)	**2,046,011,581.43**	2,052,689,259.26
Leases	**14,608,242.00**	13,133,901.50
Inventory selling costs	**10,820,283,989.25**	13,077,475,270.93
Provision for impairment of inventories	**78,577,164.50**	78,778,738.44
Impairment of fixed assets	**119,203,446.68**	277,441,873.10
Impairment provision for long-term equity investments	**4,500,000.00**	–

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

1. Trade Receivables

(1) *Disclosed by ageing:*

Based on the revenue recognition date, the aging analysis of trade receivables is as follows:

RMB

Ageing	Closing balance Book balance	Provision for bad debts	Accrual percentage (%)	Book value	Opening balance Book balance	Provision for bad debts	Accrual percentage (%)	Book value
Within 1 year	**708,989,042.14**	**18,772,817.21**	**2.65**	**690,216,224.93**	578,314,856.43	10,689,999.05	1.85	567,624,857.38
1–2 years	**3,550,418.63**	**2,830,408.42**	**79.72**	**720,010.21**	26,240,441.65	2,184,253.23	8.32	24,056,188.42
2–3 years	**601,238.04**	**601,238.04**	**100.00**	**–**	1,748,061.11	1,748,061.11	100.00	–
Over 3 years	**13,086,579.65**	**13,086,579.65**	**100.00**	**–**	13,568,007.32	13,568,007.32	100.00	–
Total	**726,227,278.46**	**35,291,043.32**	**4.86**	**690,936,235.14**	619,871,366.51	28,190,320.71	4.55	591,681,045.80

(2) *Disclosed by classification of bad debt*

RMB

Items	Closing balance Book balance Amount	Percentage(%)	Bad debt provision Amount	Percentage(%)	Book value
Provision for bad debts calculated individually	**23,235,712.92**	**3.20**	**23,235,712.92**	**100.00**	**–**
Provision for bad debts calculated on a portfolio basis	**702,991,565.54**	**96.80**	**12,055,330.40**	**1.71**	**690,936,235.14**
Total	**726,227,278.46**	**100.00**	**35,291,043.32**	**4.86**	**690,936,235.14**

RMB

Items	Opening balance Book balance Amount	Percentage(%)	Bad debt provision Amount	Percentage(%)	Book value
Provision for bad debts calculated individually	17,625,272.00	2.84	17,625,272.00	100.00	–
Provision for bad debts calculated on a portfolio basis	602,246,094.51	97.16	10,565,048.71	1.75	591,681,045.80
Total	619,871,366.51	100.00	28,190,320.71	4.55	591,681,045.80

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

1. Trade Receivables (Continued)

(2) Disclosed by classification of bad debt (Continued)

RMB

	Closing balance			
Category	**Expected average loss rate**	**Book balance**	**Loss allowance**	**Carrying amount**
Low risk	**–**	**213,354,403.76**	**–**	**213,354,403.76**
Normal	**1.76%**	**471,409,375.43**	**8,296,805.01**	**463,112,570.42**
Concerned	**20.62%**	**18,227,786.35**	**3,758,525.39**	**14,469,260.96**
Total	**1.71%**	**702,991,565.54**	**12,055,330.40**	**690,936,235.14**

RMB

	Opening balance			
Category	Expected average loss rate	Book balance	Loss allowance	Carrying amount
Low risk	–	201,563,652.36	–	201,563,652.36
Normal	1.76%	394,063,950.73	6,935,525.53	387,128,425.20
Concerned	54.84%	6,618,491.42	3,629,523.18	2,988,968.24
Total	1.75%	602,246,094.51	10,565,048.71	591,681,045.80

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

1. Trade Receivables (Continued)

(3) Changes in bad debt

RMB

	Provision for bad debts over the entire life of the receivables (Credit impairment that has not occurred yet)	Provision for bad debts over the entire life of the receivables (Credit impairment that has occurred)	Lifetime expected credit loss
Balance at 1 January 2025	**10,565,048.71**	**17,625,272.00**	**28,190,320.71**
Provision for the year (Reversal)	**7,227,639.35**	**–**	**7,227,639.35**
Transfer to the provision for bad debts with credit impairment that has occurred over the entire life of the receivables	**(5,737,357.66)**	**5,737,357.66**	**–**
Write-offs for the year	**–**	**(126,916.74)**	**(126,916.74)**
Balance at 31 December 2025	**12,055,330.40**	**23,235,712.92**	**35,291,043.32**

(4) The actual write-off of accounts receivable for this year

RMB

Item	Amount
The actual write-off of accounts receivable	**126,916.74**

(5) Details of top five trade receivables with the closing balances classified by the borrowers:

At the end of the year, the top five trade receivables of the Company with the closing balances classified by the borrowers amounted to RMB516,671,826.13 (as at the end of the last year: RMB413,992,608.23), accounting for 71.14%% (as at the end of the last year: 66.79%) of the total balance of trade receivables and the provision for credit losses of top five trade receivables amounted to RMB5,787,093.14 (as at the end of the last year: RMB5,155,537.01).

(6) At the end of the year, the Company had no trade receivable derecognised due to the transfer of financial assets.

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

2. Other Receivables

RMB

Items	Closing balance	Opening balance
Dividends receivable	–	14,030,000.00
Other receivables	**3,858,268,970.51**	2,460,959,297.15
Total	**3,858,268,970.51**	2,474,989,297.15

2.1 Other dividends receivable

RMB

Item	Closing balance	Opening balance
Dividends receivable of subsidiaries	–	14,030,000.00

2.2 Other receivables

(1) Disclosed by ageing

RMB

Ageing	Closing balance			Opening balance		
	Other receivables	Bad debt provision	Accrual percentage (%)	Other receivables	Bad debt provision	Accrual percentage (%)
Within 1 year	**2,262,154,944.31**	–	–	2,078,073,745.23	–	–
1–2 years	**1,570,469,793.39**	–	–	366,251,319.11	–	–
2–3 years	**9,010,000.00**	–	–	–	–	–
Over 3 years	**16,634,232.81**	–	–	16,634,232.81	–	–
Total	**3,858,268,970.51**	–	–	2,460,959,297.15	–	–

(XVI) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

2. Other Receivables (Continued)

2.2 Other receivables (Continued)

(2) Other receivables listed by classification by nature

RMB

Nature of other receivables	**Closing balance book value**	Opening balance book value
Amounts receivable from subsidiaries	**3,849,174,629.07**	2,447,774,613.58
Deposit, margin	**8,742,000.00**	8,719,930.00
Reserve fund	**45,000.00**	45,000.00
Others	**307,341.44**	4,419,753.57
Total	**3,858,268,970.51**	2,460,959,297.15

(3) Impairment of other receivables

Based on the nature of other receivables and after evaluation, the Company believes that other receivables have no significant risk of ECL, so no provision for credit loss has been made.

(XVI) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

2. Other Receivables (Continued)

2.2 Other receivables (Continued)

(4) Details of top five other receivables with the closing balances classified by the borrowers:

RMB

Name	Relationship with the company	Amount	Percentage of the total closing balance of other receivables (%)	Closing balance of credit loss provision
Flat (Nantong) Solar Glass Co., Ltd.* (福莱特(南通)光伏玻璃有限公司)	Subsidiary	1,516,766,339.06	39.31	–
Flat (Hong Kong) Limited* (福莱特(香港)有限公司)	Subsidiary	774,384,306.14	20.07	–
Jiaxing Flat Intelligent Equipment Co., Ltd.* (嘉興福莱特智能裝備有限公司)	Subsidiary	382,620,685.82	9.92	–
Zhejiang Jiafu Glass Co., Ltd.* (浙江嘉福玻璃有限公司)	Subsidiary	355,467,142.00	9.21	–
Flat Photoenergy Co., Ltd.* (福莱特光能有限公司)	Subsidiary	322,118,717.01	8.35	–
Total		3,351,357,190.03	86.86	–

(5) Other receivables had been actually written-off during the period

The Group had not written-off other receivables during the year.

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

3. Long-term Equity Investments

Details of long-term equity investments are as follows:

RMB

Invested unit	Accounting method	Opening balance	Changes during the year: Investments/ additional investments	Changes during the year: Reduction of investment	Changes during the year: Investment gains recognised under equity method	Changes during the year: Provision for Impairment	Changes during the year: Other (Note (V) 1)	Closing balance	Dividend of long-term equity investment accounted for by cost method declared this year
Subsidiaries:									
Zhejiang Flat	Cost method	10,000,000.00	-	-	-	-	-	**10,000,000.00**	-
Zhejiang Jiafu	Cost method	150,000,000.00	-	-	-	-	-	**150,000,000.00**	-
Shanghai Flat	Cost method	70,000,000.00	-	-	-	-	-	**70,000,000.00**	32,000,000.00
Anhui Flat Glass	Cost method	2,530,000,000.00	-	-	-	-	-	**2,530,000,000.00**	-
Flat (Hong Kong)	Cost method	66,137,343.00	-	-	-	-	-	**66,137,343.00**	-
Flat New Energy	Cost method	10,000,000.00	-	-	-	-	-	**10,000,000.00**	-
Flat Import & Export	Cost method	7,000,000.00	-	-	-	-	-	**7,000,000.00**	-
Nantong Flat	Cost method	204,370,017.10	-	-	-	-	-	**204,370,017.10**	-
Flat Port	Cost method	300,000.00	-	(300,000.00)	-	-	-	**-**	-
Flat Intelligent Equipment	Cost method	10,000,000.00	18,923,000.00	-	-	-	-	**28,923,000.00**	-
Guangxi Flat	Cost method	1,000,000.00	-	-	-	-	-	**1,000,000.00**	-
Fulaitai	Cost method	328,000,000.00	-	-	-	-	-	**328,000,000.00**	-
Flat Photoenergy	Cost method	100,000,000.00	-	-	-	-	-	**100,000,000.00**	-
Fulian Port	Cost method	2,000,000.00	-	-	-	-	-	**2,000,000.00**	-
Singapore Flat	Cost method	-	55,838.00	-	-	-	-	**55,838.00**	-
Zhongda Quartz	Cost method	-	-	-	-	-	132,800,000.00	**132,800,000.00**	
Associates:									
Kaihong Flat	Equity method	29,345,769.04	-	-	16,091,238.89	-	-	**45,437,007.93**	-
Jiaxing Energy	Equity method	4,500,000.00	-	-	-	(4,500,000.00)	-	**-**	
Total		3,522,653,129.14	18,978,838.00	(300,000.00)	16,091,238.89	(4,500,000.00)	132,800,000.00	**3,685,723,206.03**	32,000,000.00

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

4. Operating Revenue and Operating Cost

(1) Operating revenue and operating cost

RMB

Items	Amount for the year		Amount for last year	
	Revenue	**Cost**	Revenue	Cost
Main business	**3,747,311,368.33**	**3,140,155,984.22**	4,007,372,325.27	3,605,465,957.76
Other business	**96,021,847.63**	**72,485,345.85**	244,558,569.88	179,304,021.78
Total	**3,843,333,215.96**	**3,212,641,330.07**	4,251,930,895.15	3,784,769,979.54

The Company's operating revenue is recognised at a certain point in time.

(2) Disaggregation of operating revenue

RMB

Items	Amount for the year		Amount for last year	
	Operating revenue	**Operating cost**	Revenue	Cost
Category of goods				
PV glass	**2,950,891,425.99**	**2,494,752,488.50**	3,049,100,538.00	2,675,172,962.05
Household glass	**112,680,093.40**	**108,783,930.18**	133,945,856.83	129,011,663.20
Architectural glass	**548,410,648.01**	**374,635,111.49**	508,252,408.64	473,264,562.26
Float glass	**135,329,200.93**	**161,984,454.05**	316,073,521.80	328,016,770.25
Glass sub-total	**3,747,311,368.33**	**3,140,155,984.22**	4,007,372,325.27	3,605,465,957.76
Other business	**96,021,847.63**	**72,485,345.85**	244,558,569.88	179,304,021.78
Total	**3,843,333,215.96**	**3,212,641,330.07**	4,251,930,895.15	3,784,769,979.54
Classification by operating area				
China	**3,802,477,857.95**	**3,194,056,410.05**	4,237,595,467.80	3,777,748,003.30
Asia (excluding China)	**4,238,070.16**	**2,699,469.96**	4,333,368.81	2,703,513.30
Europe, North America and Other Regions	**36,617,287.85**	**15,885,450.06**	10,002,058.54	4,318,462.94
Total	**3,843,333,215.96**	**3,212,641,330.07**	4,251,930,895.15	3,784,769,979.54
Classified by sales channel				
Direct sales	**3,759,013,892.07**	**3,117,171,037.97**	4,086,978,353.31	3,609,796,752.77
Dealers	**84,319,323.89**	**95,470,292.10**	164,952,541.84	174,973,226.77
Total	**3,843,333,215.96**	**3,212,641,330.07**	4,251,930,895.15	3,784,769,979.54

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

5. Investment Income (Loss)

RMB

Items	**Amount for the year**	Amount for last year
Investment income on disposal of derivative financial instruments	**3,184,402.49**	19,285,985.19
Long term equity investment income measured at equity method	**16,091,238.89**	10,183,139.18
Long term equity investment income measured at cost method	**32,000,000.00**	664,030,000.00
Investment income of disposal of trading financial assets	**5,602,871.51**	11,156,614.48
Investment loss on disposal of long-term equity investment	**(65,452.66)**	–
Total	**56,813,060.23**	704,655,738.85

6. Related Parties and Related Party Transaction

(1) The Company's other related parties

Except for the subsidiaries mentioned in Note (V), please refer to Note (X) for details of other related parties of the Company.

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(2) Related party transactions

1) Sale of goods

RMB

Related parties	Content of the related party transaction	**Amount for the year**	Amount for last year
Anhui Flat Glass	Sale	**125,250,207.39**	153,819,024.41
Flat (Hong Kong)	Sale	**1,114,897,264.96**	394,467,121.37
Zhejiang Flat	Sale	**88,263,513.79**	92,505,364.49
Zhejiang Jiafu	Sale	**49,332,757.03**	55,015,950.40
Flat (Nantong)	Sale	**3,054,962.52**	2,104,773.21
Flat Photoenergy	Sale	**2,107,673.44**	828,049.24
Fengyang Flat New Energy	Sale	**835,282.47**	377,768.14
Flat (Vietnam)	Sale	**–**	181,171.20
Flat Import and Export	Sale	**21,172.57**	286,693.80
Kaihong Flat	Sale	**1,289,985.02**	2,518,882.22
Flat intelligent Equipment	Sale	**482,711.74**	1,034,116.12
Flat New Energy	Sale	**60,487.71**	46,622.06
Fulian Logistics	Sale	**275,380.90**	–
Anhui Flat Materials	Sale	**136,384.01**	–
Yuantong Port Services	Sale	**2,676.10**	–
Total		**1,386,010,459.65**	703,185,536.66

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(2) Related party transactions (Continued)

2) Purchase of goods

RMB

Related parties	Content of the related party transaction	**Amount for the year**	Amount for last year
Zhejiang Jiafu	Purchase of raw materials	**18,405,427.86**	2,567,612.45
Anhui Flat Glass	Purchase of raw materials	**175,799,498.94**	189,698,861.74
JiaXing Gas	Purchase of raw materials	**148,726,495.69**	226,475,764.30
Kaihong Flat	Accepting labor service	**172,287,668.51**	78,755,615.11
Anhui Flat Materials	Purchase of raw materials	**38,067,237.81**	37,483,672.27
Flat Intelligent Equipment	Purchase of raw materials	**6,673,856.90**	7,193,047.05
Flat New Energy	Purchase of raw materials	**13,408,405.28**	15,046,767.58
Zhejiang Flat	Purchase of raw materials	**1,327,918.28**	895,932.39
Flat Photoenergy	Purchase of raw materials	**484,977.36**	–
Nantong Flat	Purchase of raw materials	**66,415.75**	–
Zhongda Quartz	Accepting labor service	**9,285,751.90**	–
Total		**584,533,654.28**	558,117,272.89

6. Related Parties and Related Party Transactions (Continued)

(3) Related leases

The Company as the lessor:

RMB

Lessee name	Type of leased asset	**Amount for the year Recognised rental incomes**	Amount for last year Recognised rental incomes
Zhejiang Flat	Houses	**6,035,622.84**	6,035,622.84
Kaihong Flat	Houses	**369,821.33**	352,210.79
Jiaxing Fulian	Houses	**8,149,062.27**	–
Total		**14,554,506.44**	6,387,833.63

The Company as the lessee:

RMB

Lessor name	Type of leased asset	**Amount for the year Recognised rental expenses**	Amount for last year Recognised rental expenses
Jiaxing Yihe Investment Co., Ltd.	Houses	**8,499,629.28**	8,499,629.28

(XVI) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(4) Sale of fixed assets

RMB

Related parties	Related Party transaction	**Amount for the year**	Amount for last year
Zhejiang Jiafu	Sale of fixed assets	**163.72**	1,200,595.85
Zhejiang Flat	Sale of fixed assets	**71,356.93**	117,751.08
Anhui Flat Glass	Sale of fixed assets	**711,567.10**	–
Flat New Energy	Sale of fixed assets	**–**	3,526,872.29
Fulian logistics	Sale of fixed assets	**–**	1,086,749.52
Flat intelligent Equipment	Sale of fixed assets	**248,278.33**	1,038,450.34
Flat Photoenergy	Sale of fixed assets	**169,878.52**	22,274.49
Flat (Nantong)	Sale of fixed assets	**385,869.26**	–
Shanghai Flat	Sale of fixed assets	**228,318.58**	–
Yuantong Port Services	Sale of fixed assets	**3,373,236.98**	–
Total		**5,188,669.42**	6,992,693.57

6. Related Parties and Related Party Transactions (Continued)

(5) Procurement of fixed assets and engineering materials

RMB

Related parties	Content of the related party transaction	**Amount for the year**	Amount for last year
Anhui Flat Glass	Procurement of fixed assets and engineering materials	**558,103.05**	70,057.91
Zhejiang Jiafu	Procurement of fixed assets and engineering materials	**3,741,825.13**	5,949.49
Flat intelligent Equipment	Procurement of fixed assets and engineering materials	**3,702,242.67**	2,263,208.86
Zhejiang Flat	Procurement of fixed assets and engineering materials	**1,592.92**	8,945.93
Flat New Energy	Procurement of fixed assets and engineering materials	**15,759.24**	–
Shanghai Flat	Procurement of fixed assets and engineering materials	**228,318.58**	–
Flat Photoenergy	Procurement of fixed assets and engineering materials	**5,361.85**	–
Flat (Nantong)	Procurement of fixed assets and engineering materials	**263,227.08**	–
Fengyang Flat New Energy	Procurement of fixed assets and engineering materials	**4,234.51**	–
Total		**8,520,665.03**	2,348,162.19

(XVI) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(6) Amounts due to/from related parties

RMB

Items	Related parties	**Closing balance**	Opening balance
Trade receivables	Flat intelligent Equipment	**–**	25,227,203.39
Trade receivables	Anhui Flat Glass	**796,052.31**	121,064,368.93
Trade receivables	Zhejiang Flat	**9,035,524.91**	12,418,305.57
Trade receivables	Flat Import and Export	**–**	323,964.00
Trade receivables	Flat (Hong Kong)	**187,859,715.78**	12,529,954.19
Trade receivables	Zhejiang Jiafu	**–**	24,202,634.49
Trade receivables	Nantong Flat	**304,582.77**	3,181,774.62
Trade receivables	Flat Photoenergy	**1,145,647.97**	960,542.22
Trade receivables	Kaihong Flat	**–**	381,802.92
Trade receivables	Fengyang Flat New Energy	**1,370,747.20**	426,878.00
Trade receivables	Fulian Logistics	**9,025,716.61**	1,228,026.95
Trade receivables	Flat New Energy	**1,634.44**	–
Trade receivables	Flat intelligent Equipment	**–**	25,227,203.39
Trade receivables	Yuantong Port Services	**3,814,781.77**	–
Total		**213,354,403.76**	227,172,658.67
Advance payments	JiaXing Gas	**1,983,520.33**	185,531.30
Advance payments	Flat (Hong Kong)	**2,126,567.34**	2,126,567.34
Total		**4,110,087.67**	2,312,098.64

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(6) Amounts due to/from related parties (Continued)

RMB

Items	Related parties	**Closing balance**	Opening balance
Other receivables	Anhui Flat Material	**–**	16,380,140.13
Other receivables	Anhui Flat Glass	**–**	52,012,654.17
Other receivables	Flat (Hong Kong)	**774,384,306.14**	560,358,622.35
Other receivables	Fulaitai	**110,074,086.94**	422,002,846.14
Other receivables	Flat Intelligent Equipment	**382,620,685.82**	80,727,608.95
Other receivables	Nantong Flat	**1,516,766,339.06**	747,767,467.62
Other receivables	JiaXing Gas	**500,000.00**	500,000.00
Other receivables	Guangxi Flat	**500,000.00**	500,000.00
Other receivables	Zhejiang Jiafu	**355,467,142.00**	309,284,790.34
Other receivables	Flat (Singapore)	**175,723,514.40**	3,552.45
Other receivables	Yibin Photoenergy	**210,000.00**	210,000.00
Other receivables	Flat Photoenergy	**322,118,717.01**	256,266,931.43
Other receivables	Nantong Natural Gas	**15,413,597.82**	2,260,000.00
Other receivables	Zhejiang Flat	**85,304,113.47**	–
Other receivables	Jiaxing Fulian Logistics	**698.69**	–
Other receivables	Zhejiang Fubo	**110,590,355.44**	–
Other receivables	Flat New Energy	**1,072.28**	–
Total		**3,849,674,629.07**	2,448,274,613.58
Dividends receivable	Flat intelligent Equipment	**–**	14,030,000.00
Other non-current assets	Anhui Flat Glass	**7,243,553,285.31**	9,004,994,008.80
Other non-current assets	Fengyang Flat New Energy	**528,308,275.48**	636,392,459.25
Other non-current assets	Flat Import and Export	**136,361,830.08**	82,623,430.09
Other non-current assets	Fulaitai	**295,000,000.00**	–
Total		**8,203,223,390.87**	9,724,009,898.14
Contract liabilities	Flat (Hong Kong)	**–**	44,966,888.52
Contract liabilities	Jiaxing Intelligent Equipment	**48.00**	–
Total		**48.00**	44,966,888.52

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(6) Amounts due to/from related parties (Continued)

RMB

Items	Related parties	**Closing balance**	Opening balance
Other payables	Flat (Hong Kong)	**418,939,071.67**	418,995,555.20
Other payables	Flat Intelligent Equipment	**479,717.54**	–
Other payables	Zhejiang Flat	**–**	11,518,066.27
Other payables	Fengyang Flat New Energy	**–**	100,000,000.00
Other payables	Shanghai Flat	**–**	15,000,000.00
Other payables	Dahua Mining	**–**	210,000,000.00
Other payables	Kaihong Flat	**500,000.00**	500,000.00
Other payables	Sanli Mining	**–**	482,812,950.41
Other payables	Flat New Energy	**–**	641,583.11
Total		**419,918,789.21**	1,239,468,154.99
Trade payables	Anhui Flat Glass	**9,203,230.67**	88,276,973.37
Trade payables	Kaihong Flat	**2,274,068.40**	22,445,434.13
Trade payables	Anhui Flat Material	**4,808,817.93**	5,960,670.15
Trade payables	Flat Intelligent Equipment	**1,663,056.95**	89,659.95
Trade payables	Flat New Energy	**685,939.14**	1,132,595.85
Trade payables	Nantong Flat	**19,746.00**	–
Trade payables	Zhejiang Jiafu	**3,250,242.04**	1,447,243.17
Trade payables	Zhejiang Flat	**1,314,914.79**	179,370.33
Trade payables	Jiaxing Yihe Investment Co., Ltd	**258,398.65**	270,035.99
Trade payables	Flat Photoenergy	**430,717.06**	–
Trade payables	Zhongda Quartz	**51,415,485.06**	–
Trade payables	Fulian Logistics	**467,853.86**	–
Trade payables	Jiaxing Gas	**2,991,277.37**	–
Total		**78,783,747.92**	119,801,982.94

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(7) Borrowings to related parties

RMB

Related Parties	Increased in the year	Decreased in the year	Commencement date	Expiry date	Year end amount	Particulars
During the year						
Anhui Flat Materials	98,760,280.26	115,140,420.39	Nil	Nil	-	Interest free with no fixed term of repayment
Anhui Flat Glass	3,012,477,158.95	4,773,917,882.44	Nil	Nil	**7,243,553,285.31**	Interest free with no fixed term of repayment
Anhui Flat Glass	-	52,012,654.17	2022-06-01	2025-12-31	-	Fixed rate at 3.5% to 3.85%
Zhejiang Jiafu	1,228,507,851.66	1,182,325,500.00	Nil	Nil	**355,467,142.00**	Interest free with no fixed term of repayment
Flat Import & Export	103,738,399.99	50,000,000.00	Nil	Nil	**136,361,830.08**	Interest free with no fixed term of repayment
Flat (Hong Kong)	1,549,278.33	-	Nil	Nil	**17,975,601.14**	Interest free with no fixed term of repayment
Flat (Hong Kong)	-	3,990,000.00	2024-04-10	2029-10-09	**355,430,000.00**	Fixed rate at 2.5%
Flat (Hong Kong)	-	7,980,000.00	2024-10-22	2029-10-21	**171,730,000.00**	Fixed rate at 2.5%
Flat (Hong Kong)	13,582,405.46	-	2024-04-10	2029-10-21	**18,384,705.00**	Fixed rate at 2.5%
Flat (Hong Kong)	210,864,000.00	-	2025-12-29	2030-12-28	**210,864,000.00**	Fixed rate at 2.5%
Nantong Flat	768,998,871.44	-	Nil	Nil	**1,516,766,339.06**	Interest free with no fixed term of repayment
Fengyang Flat New Energy	-	108,084,183.77	Nil	Nil	**528,308,275.48**	Interest free with no fixed term of repayment
Flat Intelligent Equipment	417,164,318.45	115,271,241.58	Nil	Nil	**382,620,685.82**	Interest free with no fixed term of repayment
Guangxi Flat	-	-	Nil	Nil	**500,000.00**	Interest free with no fixed term of repayment
Singapore Flat	175,719,961.95	-	Nil	Nil	**175,723,514.40**	Interest free with no fixed term of repayment
Yibin Photoenergy	-	-	Nil	Nil	**210,000.00**	Interest free with no fixed term of repayment
Flat Photoenergy	75,851,785.58	10,000,000.00	Nil	Nil	**322,118,717.01**	Interest free with no fixed term of repayment
Nantong Nature Gas	13,153,597.82	-	Nil	Nil	**15,413,597.82**	Interest free with no fixed term of repayment
Fulaitai	63,071,240.80	80,000,000.00	Nil	Nil	**405,074,086.94**	Interest free with no fixed term of repayment
Flat New Energy	1,219.28	147.00	Nil	Nil	**1,072.28**	Interest free with no fixed term of repayment
Zhejiang Flat	119,355,593.58	34,051,480.11	Nil	Nil	**85,304,113.47**	Interest free with no fixed term of repayment
Zhejiang Fubo New Materials	135,590,355.44	25,000,000.00	Nil	Nil	**110,590,355.44**	Interest free with no fixed term of repayment
Jiaxing Fulian Port Services	1,386,390.82	1,385,692.13	Nil	Nil	**698.69**	Interest free with no fixed term of repayment

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(7) Borrowings to related parties (Continued)

Related parties	Increased in the year	Decreased in the year	Commencement date	Expiry date	Year end amount	Particulars
During last year						
Anhui Flat Material	–	2,765,172,734.75	Nil	Nil	**16,380,140.13**	Interest free with no fixed term of repayment
Anhui Flat Glass	3,723,945,265.78	3,961,384,161.51	Nil	Nil	**9,004,994,008.80**	Interest free with no fixed term of repayment
Anhui Flat Glass	52,012,654.17	–	2022-06-01	2025-12-31	**52,012,654.17**	Fixed rate from 3.5% to 3.85%
Zhejiang Jiafu	1,252,578,790.34	1,026,737,303.46	Nil	Nil	**309,284,790.34**	Interest free with no fixed term of repayment
Flat Import & Export	46,339,570.00	41,840,662.77	Nil	Nil	**82,623,430.09**	Interest free with no fixed term of repayment
Flat (Hong Kong)	–	727,929.45	Nil	Nil	**16,426,322.81**	Interest free with no fixed term of repayment
Flat (Hong Kong)	–	84,992,400.00	2021-03-10	2024-03-09	–	Fixed rate at 2.5%
Flat (Hong Kong)	–	177,067,500.00	2021-03-10	2024-04-13	–	Fixed rate at 2.5%
Flat (Hong Kong)	–	70,827,000.00	2021-02-26	2024-02-25	–	Fixed rate at 2.5%
Flat (Hong Kong)	–	70,827,000.00	2021-07-19	2024-07-18	–	Fixed rate at 2.5%
Flat (Hong Kong)	–	141,654,000.00	2021-09-01	2024-08-31	–	Fixed rate at 2.5%
Flat (Hong Kong)	–	141,654,000.00	2021-10-27	2024-10-21	–	Fixed rate at 2.5%
Flat (Hong Kong)	–	177,067,500.00	2021-11-30	2024-10-21	–	Fixed rate at 2.5%
Flat (Hong Kong)	–	141,654,000.00	2022-03-14	2024-03-13	–	Fixed rate at 2.5%
Flat (Hong Kong)	–	141,654,000.00	2022-04-13	2024-04-12	–	Fixed rate at 2.5%
Flat (Hong Kong)	–	27,474,220.97	2021-03-10	2024-04-12	–	Fixed rate at 2.5%
Flat (Hong Kong)	359,420,000.00	–	2024-04-10	2029-10-09	**359,420,000.00**	Fixed rate at 2.5%
Flat (Hong Kong)	179,710,000.00	–	2024-10-22	2029-10-21	**179,710,000.00**	Fixed rate at 2.5%
Flat (Hong Kong)	4,802,299.54	–	2024-04-10	2029-10-21	**4,802,299.54**	Fixed rate at 2.5%
Sanli Mining	–	90,000,000.00	Nil	Nil	–	Interest free with no fixed term of repayment
Flat (Nan tong)	1,051,487,467.62	310,000,000.00	Nil	Nil	**747,767,467.62**	Interest free with no fixed term of repayment
Fengyang Flat New Energy	–	–	Nil	Nil	**636,392,459.25**	Interest free with no fixed term of repayment
Flat Intellectual Equipment	55,288,864.58	–	Nil	Nil	**80,727,608.95**	Interest free with no fixed term of repayment
Flat (Guangxi)	–	–	Nil	Nil	**500,000.00**	Interest free with no fixed term of repayment
Singapore Flat	3,552.45	–	Nil	Nil	**3,552.45**	Interest free with no fixed term of repayment
Yibin Solar	210,000.00	–	Nil	Nil	**210,000.00**	Interest free with no fixed term of repayment
Flat Solar	256,266,931.43	–	Nil	Nil	**256,266,931.43**	Interest free with no fixed term of repayment
Nantong Ntaural Gas	2,250,000.00	–	Nil	Nil	**2,260,000.00**	Interest free with no fixed term of repayment
Fulaitai	97,002,846.14	–	Nil	Nil	**422,002,846.14**	Interest free with no fixed term of repayment

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(8) Borrowings from related parties

RMB

Related parties	Increased in the year	Decreased in the year	Commencement date	Expiry date	Year end amount	Particulars
During the year						
Flat (Hong Kong)	–	56,483.53	Nil	Nil	**418,939,071.67**	Interest free with no fixed term of repayment
Flat New Energy	–	641,583.11	Nil	Nil	–	Interest free with no fixed term of repayment
Zhejiang Flat	70,000,000.00	81,518,066.27	Nil	Nil	–	Interest free with no fixed term of repayment
Shanghai Flat	–	15,000,000.00	Nil	Nil	–	Interest free with no fixed term of repayment
Anhui Flat Material	299,239,719.72	299,239,719.72	Nil	Nil	–	Interest free with no fixed term of repayment
Dahua Mining	–	210,000,000.00	Nil	Nil	–	Interest free with no fixed term of repayment
Sanli Mining	130,000,000.00	612,812,950.41	Nil	Nil	–	Interest free with no fixed term of repayment
Fengyang Flat New Energy	–	100,000,000.00	Nil	Nil	–	Interest free with no fixed term of repayment
Flat Intelligent Equipment	9,145,152.70	8,665,435.16	Nil	Nil	**479,717.54**	Interest free with no fixed term of repayment
During the last year						
Flat (Hong Kong)	2,292,112.55	–	Nil	Nil	**418,995,555.20**	Interest free with no fixed term of repayment
Flat New Energy	2,741,583.11	2,100,000.00	Nil	Nil	**641,583.11**	Interest free with no fixed term of repayment
Zhejiang Flat	60,430,446.99	212,912,380.72	Nil	Nil	**11,518,066.27**	Interest free with no fixed term of repayment
Shanghai Flat	5,000,000.00	–	Nil	Nil	**15,000,000.00**	Interest free with no fixed term of repayment
Anhui Flat Material	–	335,464,970.00	Nil	Nil	–	Interest free with no fixed term of repayment
Dahua Mining	210,000,000.00	8,448,000.00	Nil	Nil	**210,000,000.00**	Interest free with no fixed term of repayment
Sanli Mining	719,373,150.41	236,560,200.00	Nil	Nil	**482,812,950.41**	Interest free with no fixed term of repayment
Fengyang Flat New Energy	–	–	Nil	Nil	**100,000,000.00**	Interest free with no fixed term of repayment

(9) Interest income

RMB

Related party	Content of the related party transaction	Amount for the year	Amount for last year
Anhui Flat Glass	borrowing funds	–	52,012,654.17
Flat (Hong Kong)	borrowing funds	**13,582,405.46**	16,703,165.22
Total		**13,582,405.46**	68,715,819.39

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(10) Receiving guarantees from related parties

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
Zhejiang Jiafu	The Company	150,000,000.00	2024-07-30	2025-07-29	Yes
Zhejiang Jiafu	The Company	13,000,000.00	2024-07-25	2025-07-24	Yes
Zhejiang Jiafu	The Company	50,000,000.00	2025-03-21	2026-03-17	No
Zhejiang Jiafu	The Company	210,000,000.00	2025-08-29	2025-09-15	Yes
Zhejiang Jiafu	The Company	100,000,000.00	2025-08-28	2025-09-22	Yes
Zhejiang Jiafu	The Company	90,000,000.00	2025-08-28	2025-09-26	Yes
Zhejiang Jiafu	The Company	154,633,600.00	2025-09-28	2026-09-22	No
Zhejiang Jiafu	The Company	150,000,000.00	2022-10-08	2025-09-30	Yes
Zhejiang Jiafu	The Company	50,000,000.00	2023-03-10	2026-03-09	No
Zhejiang Jiafu	The Company	100,000.00	2023-02-28	2025-02-26	Yes
Zhejiang Jiafu	The Company	100,000.00	2023-02-28	2025-07-04	Yes
Zhejiang Jiafu	The Company	139,500,000.00	2023-02-28	2025-07-04	Yes
Zhejiang Jiafu	The Company	80,000,000.00	2024-01-01	2026-12-31	No
Anhui Flat Glass	The Company	5,853,755.89	2023-11-30	2025-03-21	Yes
Anhui Flat Glass	The Company	5,954,092.04	2023-11-30	2025-06-21	Yes
Anhui Flat Glass	The Company	5,989,816.59	2023-11-30	2025-09-21	Yes
Anhui Flat Glass	The Company	6,025,755.49	2023-11-30	2025-12-21	Yes
Anhui Flat Glass	The Company	128,404,026.20	2023-11-30	2030-10-29	No
Anhui Flat Glass	The Company	5,853,755.89	2023-11-30	2025-03-21	Yes
Anhui Flat Glass	The Company	5,954,092.04	2023-11-30	2025-06-21	Yes
Anhui Flat Glass	The Company	5,989,816.59	2023-11-30	2025-09-21	Yes
Anhui Flat Glass	The Company	6,025,755.49	2023-11-30	2025-12-21	Yes
Anhui Flat Glass	The Company	128,404,026.20	2023-11-30	2030-10-29	No
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2025-03-21	Yes
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2025-07-04	Yes
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2025-07-04	Yes
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2025-07-04	Yes
Zhejiang Jiafu	The Company	39,750,000.00	2024-03-22	2025-07-04	Yes

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(10) Receiving guarantees from related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
Anhui Flat Glass	The Company	5,000,000.00	2024-05-17	2025-01-20	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-17	2025-01-20	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-17	2025-01-20	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-17	2025-01-20	Yes
Anhui Flat Glass	The Company	179,000,000.00	2024-05-17	2025-01-20	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-20	2025-02-14	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-20	2025-02-14	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-20	2025-02-14	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-20	2025-02-14	Yes
Anhui Flat Glass	The Company	179,000,000.00	2024-05-20	2025-02-14	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-28	2025-03-17	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-28	2025-03-17	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-28	2025-03-17	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-28	2025-03-17	Yes
Anhui Flat Glass	The Company	152,000,000.00	2024-05-28	2025-03-17	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-31	2025-04-17	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-31	2025-04-17	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-31	2025-04-17	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-05-31	2025-04-17	Yes
Anhui Flat Glass	The Company	166,000,000.00	2024-05-31	2025-04-17	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-06-26	2025-05-15	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-06-26	2025-05-15	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-06-26	2025-05-15	Yes
Anhui Flat Glass	The Company	5,000,000.00	2024-06-26	2025-05-15	Yes
Anhui Flat Glass	The Company	80,000,000.00	2024-06-26	2025-05-15	Yes
Anhui Flat Glass	The Company	100,000,000.00	2024-06-26	2027-06-24	No
Anhui Flat Glass	The Company	2,000,000.00	2024-06-30	2025-05-12	Yes
Anhui Flat Glass	The Company	2,000,000.00	2024-06-30	2025-05-12	Yes
Anhui Flat Glass	The Company	2,000,000.00	2024-06-30	2025-05-12	Yes
Anhui Flat Glass	The Company	2,000,000.00	2024-06-30	2025-05-12	Yes

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(10) Receiving guarantees from related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
Anhui Flat Glass	The Company	92,000,000.00	2024-06-30	2025-05-12	Yes
Zhejiang Jiafu	The Company	1,000,000.00	2024-12-27	2025-06-24	Yes
Zhejiang Jiafu	The Company	12,000,000.00	2024-12-27	2025-12-20	Yes
Zhejiang Jiafu	The Company	1,000,000.00	2024-12-27	2026-06-24	No
Zhejiang Jiafu	The Company	25,000,000.00	2024-12-27	2026-12-20	No
Zhejiang Jiafu	The Company	1,000,000.00	2024-12-27	2027-06-24	No
Zhejiang Jiafu	The Company	90,000,000.00	2024-12-27	2027-11-20	No
Zhejiang Jiafu	The Company	1,200,000.00	2024-07-19	2025-01-18	Yes
Zhejiang Jiafu	The Company	10,800,000.00	2024-07-19	2025-07-18	Yes
Zhejiang Jiafu	The Company	1,200,000.00	2024-07-19	2026-01-18	No
Zhejiang Jiafu	The Company	22,800,000.00	2024-07-19	2026-07-18	No
Zhejiang Jiafu	The Company	1,200,000.00	2024-07-19	2027-01-18	No
Zhejiang Jiafu	The Company	82,800,000.00	2024-07-19	2027-07-18	No
Zhejiang Jiafu	The Company	800,000.00	2024-07-19	2025-01-18	Yes
Zhejiang Jiafu	The Company	7,200,000.00	2024-07-19	2025-07-18	Yes
Zhejiang Jiafu	The Company	800,000.00	2024-07-19	2026-01-18	No
Zhejiang Jiafu	The Company	15,200,000.00	2024-07-19	2026-07-18	No
Zhejiang Jiafu	The Company	800,000.00	2024-07-19	2027-01-18	No
Zhejiang Jiafu	The Company	55,200,000.00	2024-07-19	2027-07-18	No
Zhejiang Jiafu	The Company	500,000.00	2024-10-31	2025-04-21	Yes
Zhejiang Jiafu	The Company	500,000.00	2024-10-31	2025-10-20	Yes
Zhejiang Jiafu	The Company	500,000.00	2024-10-31	2026-04-20	No
Zhejiang Jiafu	The Company	500,000.00	2024-10-31	2026-10-20	No
Zhejiang Jiafu	The Company	500,000.00	2024-10-31	2027-04-20	No
Zhejiang Jiafu	The Company	85,500,000.00	2024-10-31	2027-10-20	No
Anhui Flat Glass	The Company	5,000,000.00	2025-03-17	2026-03-25	No
Anhui Flat Glass	The Company	5,000,000.00	2025-03-17	2026-09-25	No
Anhui Flat Glass	The Company	5,000,000.00	2025-03-17	2027-03-25	No
Anhui Flat Glass	The Company	5,000,000.00	2025-03-17	2027-09-25	No
Anhui Flat Glass	The Company	152,000,000.00	2025-03-17	2028-03-05	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(10) Receiving guarantees from related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
Anhui Flat Glass	The Company	5,000,000.00	2025-02-14	2026-01-26	No
Anhui Flat Glass	The Company	5,000,000.00	2025-02-14	2026-07-26	No
Anhui Flat Glass	The Company	5,000,000.00	2025-02-14	2027-01-26	No
Anhui Flat Glass	The Company	5,000,000.00	2025-02-14	2027-07-26	No
Anhui Flat Glass	The Company	179,000,000.00	2025-02-14	2028-01-21	No
Anhui Flat Glass	The Company	500,000.00	2025-04-18	2026-04-14	No
Anhui Flat Glass	The Company	500,000.00	2025-04-18	2026-10-14	No
Anhui Flat Glass	The Company	500,000.00	2025-04-18	2027-04-14	No
Anhui Flat Glass	The Company	500,000.00	2025-04-18	2027-10-14	No
Anhui Flat Glass	The Company	184,000,000.00	2025-04-18	2028-04-14	No
Anhui Flat Glass	The Company	500,000.00	2025-04-30	2026-04-29	No
Anhui Flat Glass	The Company	500,000.00	2025-04-30	2026-10-29	No
Anhui Flat Glass	The Company	500,000.00	2025-04-30	2027-04-29	No
Anhui Flat Glass	The Company	500,000.00	2025-04-30	2027-10-29	No
Anhui Flat Glass	The Company	98,000,000.00	2025-04-30	2028-04-30	No
Anhui Flat Glass	The Company	500,000.00	2025-06-27	2026-06-25	No
Anhui Flat Glass	The Company	500,000.00	2025-06-27	2026-12-25	No
Anhui Flat Glass	The Company	500,000.00	2025-06-27	2027-06-25	No
Anhui Flat Glass	The Company	500,000.00	2025-06-27	2027-12-25	No
Anhui Flat Glass	The Company	298,000,000.00	2025-06-27	2028-06-25	No
Anhui Flat Glass	The Company	500,000.00	2025-07-16	2026-07-08	No
Anhui Flat Glass	The Company	500,000.00	2025-07-16	2027-01-08	No
Anhui Flat Glass	The Company	500,000.00	2025-07-16	2027-07-08	No
Anhui Flat Glass	The Company	500,000.00	2025-07-16	2028-01-08	No
Anhui Flat Glass	The Company	198,000,000.00	2025-07-16	2028-07-08	No
Anhui Flat Glass	The Company	500,000.00	2025-08-04	2026-07-29	No
Anhui Flat Glass	The Company	500,000.00	2025-08-04	2027-01-29	No
Anhui Flat Glass	The Company	500,000.00	2025-08-04	2027-07-29	No
Anhui Flat Glass	The Company	500,000.00	2025-08-04	2028-01-29	No
Anhui Flat Glass	The Company	78,000,000.00	2025-08-04	2028-07-30	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(10) Receiving guarantees from related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
Zhejiang Jiafu	The Company	1,000,000.00	2025-07-15	2025-12-20	Yes
Zhejiang Jiafu	The Company	1,000,000.00	2025-07-15	2026-06-20	No
Zhejiang Jiafu	The Company	1,000,000.00	2025-07-15	2026-12-20	No
Zhejiang Jiafu	The Company	1,000,000.00	2025-07-15	2027-06-20	No
Zhejiang Jiafu	The Company	1,000,000.00	2025-07-15	2027-12-20	No
Zhejiang Jiafu	The Company	175,000,000.00	2025-07-15	2028-06-20	No
Anhui Flat Glass	The Company	1,000,000.00	2025-10-30	2025-11-06	Yes
Anhui Flat Glass	The Company	1,000,000.00	2025-10-30	2025-11-06	Yes
Anhui Flat Glass	The Company	148,000,000.00	2025-10-30	2025-11-06	Yes
Anhui Flat Glass	The Company	500,000.00	2025-11-29	2026-11-28	No
Anhui Flat Glass	The Company	500,000.00	2025-11-29	2027-05-28	No
Anhui Flat Glass	The Company	500,000.00	2025-11-29	2027-11-28	No
Anhui Flat Glass	The Company	500,000.00	2025-11-29	2028-05-28	No
Anhui Flat Glass	The Company	37,000,000.00	2025-11-29	2028-11-28	No
Anhui Flat Glass	The Company	500,000.00	2025-12-31	2026-12-28	No
Anhui Flat Glass	The Company	500,000.00	2025-12-31	2027-06-28	No
Anhui Flat Glass	The Company	500,000.00	2025-12-31	2027-12-28	No
Anhui Flat Glass	The Company	500,000.00	2025-12-31	2028-06-28	No
Anhui Flat Glass	The Company	38,000,000.00	2025-12-31	2028-12-28	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(10) Receiving guarantees from related parties (Continued)

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the last year					
Anhui Flat Glass	The Company	200,000,000.00	2023-04-18	2026-04-20	Yes
Zhejiang Jiafu	The Company	100,000.00	2021-12-07	2024-06-03	Yes
Zhejiang Jiafu	The Company	119,500,000.00	2021-12-07	2024-12-03	Yes
Zhejiang Jiafu	The Company	150,000,000.00	2022-10-08	2025-10-07	No
Zhejiang Jiafu	The Company	500,000.00	2023-01-19	2024-01-18	Yes
Zhejiang Jiafu	The Company	500,000.00	2023-01-19	2024-07-18	Yes
Zhejiang Jiafu	The Company	500,000.00	2023-01-19	2025-01-18	Yes
Zhejiang Jiafu	The Company	500,000.00	2023-01-19	2025-07-18	Yes
Zhejiang Jiafu	The Company	97,500,000.00	2023-01-19	2026-01-18	Yes
Zhejiang Jiafu	The Company	100,000.00	2023-02-28	2024-02-26	Yes
Zhejiang Jiafu	The Company	100,000.00	2023-02-28	2024-08-26	Yes
Zhejiang Jiafu	The Company	100,000.00	2023-02-28	2025-02-26	No
Zhejiang Jiafu	The Company	100,000.00	2023-02-28	2025-08-26	No
Zhejiang Jiafu	The Company	139,500,000.00	2023-02-28	2026-02-26	No
Zhejiang Jiafu	The Company	50,000,000.00	2023-03-10	2026-03-09	No
Anhui Flat Glass	The Company	200,000,000.00	2023-06-07	2026-06-07	Yes
Anhui Flat Glass	The Company	199,000,000.00	2023-06-12	2026-06-15	Yes
Anhui Flat Glass	The Company	199,000,000.00	2023-06-13	2026-06-13	Yes
Anhui Flat Glass	The Company	200,000,000.00	2023-06-20	2026-06-16	Yes
Zhejiang Jiafu	The Company	150,000,000.00	2023-08-22	2024-08-21	Yes
Zhejiang Jiafu	The Company	15,000,000.00	2023-11-24	2024-11-22	Yes
Anhui Flat Glass	The Company	175,000,000.00	2023-11-30	2030-10-29	No
Anhui Flat Glass	The Company	175,000,000.00	2023-11-30	2030-10-29	No
Zhejiang Jiafu	The Company	100,000,000.00	2023-12-25	2026-12-24	No
Zhejiang Jiafu	The Company	234,000,000.00	2024-01-02	2024-11-08	Yes
Zhejiang Jiafu	The Company	200,000,000.00	2024-01-17	2027-01-17	Yes
Zhejiang Jiafu	The Company	200,000,000.00	2024-02-06	2027-02-05	Yes
Zhejiang Jiafu	The Company	172,000,000.00	2024-02-07	2027-02-05	Yes
Zhejiang Jiafu	The Company	199,000,000.00	2024-02-21	2027-02-20	Yes

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(10) Receiving guarantees from related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the last year					
Zhejiang Jiafu	The Company	199,000,000.00	2024-02-22	2027-02-20	Yes
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2024-09-21	Yes
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2025-03-21	No
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2025-09-21	No
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2026-03-21	No
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2026-09-21	No
Zhejiang Jiafu	The Company	39,750,000.00	2024-03-22	2027-03-21	No
Zhejiang Jiafu	The Company	200,000,000.00	2024-05-10	2027-05-10	Yes
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-17	2025-03-17	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-17	2025-09-17	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-17	2026-03-17	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-17	2026-09-17	No
Zhejiang Jiafu	The Company	179,000,000.00	2024-05-17	2027-05-17	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-20	2025-03-17	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-20	2025-09-17	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-20	2026-03-17	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-20	2026-09-17	No
Zhejiang Jiafu	The Company	179,000,000.00	2024-05-20	2027-05-17	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-28	2025-06-20	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-28	2025-12-20	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-28	2026-06-20	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-28	2026-12-20	No
Zhejiang Jiafu	The Company	152,000,000.00	2024-05-28	2027-05-27	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-31	2025-06-20	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-31	2025-12-20	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-31	2026-06-20	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-05-31	2026-12-20	No
Zhejiang Jiafu	The Company	166,000,000.00	2024-05-31	2027-05-28	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-06-26	2025-07-20	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-06-26	2026-01-20	No
Zhejiang Jiafu	The Company	5,000,000.00	2024-06-26	2026-07-20	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(10) Receiving guarantees from related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the last year					
Zhejiang Jiafu	The Company	5,000,000.00	2024-06-26	2027-01-20	No
Zhejiang Jiafu	The Company	180,000,000.00	2024-06-26	2027-06-24	No
Zhejiang Jiafu	The Company	2,000,000.00	2024-06-30	2025-07-20	No
Zhejiang Jiafu	The Company	2,000,000.00	2024-06-30	2026-01-20	No
Zhejiang Jiafu	The Company	2,000,000.00	2024-06-30	2026-07-20	No
Zhejiang Jiafu	The Company	2,000,000.00	2024-06-30	2027-01-20	No
Zhejiang Jiafu	The Company	92,000,000.00	2024-06-30	2027-06-25	No
Zhejiang Jiafu	The Company	1,200,000.00	2024-07-19	2025-01-18	No
Zhejiang Jiafu	The Company	10,800,000.00	2024-07-19	2025-07-18	No
Zhejiang Jiafu	The Company	1,200,000.00	2024-07-19	2026-01-18	No
Zhejiang Jiafu	The Company	22,800,000.00	2024-07-19	2026-07-18	No
Zhejiang Jiafu	The Company	1,200,000.00	2024-07-19	2027-01-18	No
Zhejiang Jiafu	The Company	82,800,000.00	2024-07-19	2027-07-18	No
Zhejiang Jiafu	The Company	800,000.00	2024-07-19	2025-01-18	No
Zhejiang Jiafu	The Company	7,200,000.00	2024-07-19	2025-07-18	No
Zhejiang Jiafu	The Company	800,000.00	2024-07-19	2026-01-18	No
Zhejiang Jiafu	The Company	15,200,000.00	2024-07-19	2026-07-18	No
Zhejiang Jiafu	The Company	800,000.00	2024-07-19	2027-01-18	No
Zhejiang Jiafu	The Company	55,200,000.00	2024-07-19	2027-07-18	No
Zhejiang Jiafu	The Company	13,000,000.00	2024-07-25	2025-07-24	Yes
Zhejiang Jiafu	The Company	150,000,000.00	2024-07-30	2025-07-29	Yes
Zhejiang Jiafu	The Company	500,000.00	2024-10-31	2025-04-20	No
Zhejiang Jiafu	The Company	500,000.00	2024-10-31	2025-10-20	No
Zhejiang Jiafu	The Company	500,000.00	2024-10-31	2026-04-20	No
Zhejiang Jiafu	The Company	500,000.00	2024-10-31	2026-10-20	No
Zhejiang Jiafu	The Company	500,000.00	2024-10-31	2027-04-20	No
Zhejiang Jiafu	The Company	85,500,000.00	2024-10-31	2027-10-20	No
Zhejiang Jiafu	The Company	1,000,000.00	2024-12-27	2025-06-24	No
Zhejiang Jiafu	The Company	12,000,000.00	2024-12-27	2025-12-20	No
Zhejiang Jiafu	The Company	1,000,000.00	2024-12-27	2026-06-24	No
Zhejiang Jiafu	The Company	25,000,000.00	2024-12-27	2026-12-20	No
Zhejiang Jiafu	The Company	1,000,000.00	2024-12-27	2027-06-24	No
Zhejiang Jiafu	The Company	90,000,000.00	2024-12-27	2027-11-20	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
The Company	Zhejiang Jiafu	1,000,000.00	2024-06-27	2025-06-25	Yes
The Company	Zhejiang Jiafu	1,000,000.00	2024-06-27	2025-12-25	Yes
The Company	Zhejiang Jiafu	1,000,000.00	2024-06-27	2026-06-25	Yes
The Company	Zhejiang Jiafu	1,000,000.00	2024-06-27	2026-12-25	Yes
The Company	Zhejiang Jiafu	97,000,000.00	2024-06-27	2027-06-24	Yes
The Company	Zhejiang Jiafu	98,000,000.00	2024-06-27	2027-06-24	Yes
The Company	Zhejiang Flat	20,000,000.00	2024-05-31	2025-05-28	Yes
The Company	Zhejiang Flat	20,000,000.00	2025-05-31	2026-05-28	No
The Company	Zhejiang Jiafu	20,000,000.00	2024-09-30	2025-09-30	Yes
The Company	Anhui Flat Glass	75,000,000.00	2024-03-28	2025-03-17	No
The Company	Anhui Flat Glass	100,000,000.00	2024-03-28	2025-03-17	No
The Company	Anhui Flat Glass	50,000,000.00	2024-04-25	2025-04-21	No
The Company	Anhui Flat Glass	30,000,000.00	2024-05-07	2025-05-06	No
The Company	Anhui Flat Glass	50,000,000.00	2024-05-24	2025-05-16	No
The Company	Anhui Flat Glass	30,000,000.00	2024-06-06	2025-05-29	No
The Company	Anhui Flat Glass	40,000,000.00	2024-08-09	2025-08-11	No
The Company	Anhui Flat Glass	50,000,000.00	2024-09-26	2025-09-25	No
The Company	Anhui Flat Glass	30,000,000.00	2024-11-07	2025-11-06	No
The Company	Anhui Flat Glass	30,000,000.00	2024-09-06	2025-09-01	No
The Company	Anhui Flat Glass	40,000,000.00	2024-08-23	2025-08-11	No
The Company	Anhui Flat Glass	30,000,000.00	2024-10-08	2025-09-25	No
The Company	Anhui Flat Glass	50,000,000.00	2024-10-25	2025-10-20	No
The Company	Anhui Flat Glass	175,000,000.00	2025-03-18	2026-03-18	Yes
The Company	Anhui Flat Glass	150,000,000.00	2025-07-31	2025-08-01	No
The Company	Anhui Flat Glass	28,000,000.00	2025-12-09	2026-06-05	Yes
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2025-04-27	Yes
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2025-10-27	Yes
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2026-04-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2026-10-27	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
The Company	Anhui Flat Glass	100,000,000.00	2022-11-16	2027-04-27	No
The Company	Anhui Flat Glass	100,000,000.00	2022-11-16	2027-10-27	No
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-06-24	Yes
The Company	Anhui Flat Glass	44,000,000.00	2023-03-22	2025-06-24	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-11-26	Yes
The Company	Anhui Flat Glass	39,000,000.00	2023-03-22	2026-03-16	No
The Company	Anhui Flat Glass	450,000.00	2023-07-03	2025-12-15	Yes
The Company	Anhui Flat Glass	450,000.00	2023-07-03	2026-06-15	No
The Company	Anhui Flat Glass	600,000.00	2023-07-03	2026-12-15	No
The Company	Anhui Flat Glass	600,000.00	2023-07-03	2027-06-15	No
The Company	Anhui Flat Glass	900,000.00	2023-07-03	2027-12-15	No
The Company	Anhui Flat Glass	900,000.00	2023-07-03	2028-06-15	No
The Company	Anhui Flat Glass	900,000.00	2023-07-03	2028-12-15	No
The Company	Anhui Flat Glass	1,200,000.00	2023-07-03	2029-06-01	No
The Company	Anhui Flat Glass	3,750,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	3,750,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	5,000,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	5,000,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	7,500,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	7,500,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	7,500,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	10,000,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	3,750,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	3,750,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	5,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	5,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	7,500,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	7,500,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	7,500,000.00	2023-09-28	2025-07-09	Yes

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
The Company	Anhui Flat Glass	10,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	2,250,000.00	2023-09-28	2025-12-15	Yes
The Company	Anhui Flat Glass	2,250,000.00	2023-09-28	2026-06-15	No
The Company	Anhui Flat Glass	3,000,000.00	2023-09-28	2026-12-15	No
The Company	Anhui Flat Glass	3,000,000.00	2023-09-28	2027-06-15	No
The Company	Anhui Flat Glass	4,500,000.00	2023-09-28	2027-12-15	No
The Company	Anhui Flat Glass	4,500,000.00	2023-09-28	2028-06-15	No
The Company	Anhui Flat Glass	4,500,000.00	2023-09-28	2028-12-15	No
The Company	Anhui Flat Glass	6,000,000.00	2023-09-28	2029-06-01	No
The Company	Anhui Flat Glass	1,500,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	1,500,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	2,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	2,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	3,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	3,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	3,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	4,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	375,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	375,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	500,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	500,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	750,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	750,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	750,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	1,500,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	1,500,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	2,000,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	28,000,000.00	2025-12-09	2026-06-05	Yes
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2025-04-27	Yes
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2025-10-27	Yes

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2026-04-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2026-10-27	No
The Company	Anhui Flat Glass	100,000,000.00	2022-11-16	2027-04-27	No
The Company	Anhui Flat Glass	100,000,000.00	2022-11-16	2027-10-27	No
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-06-24	Yes
The Company	Anhui Flat Glass	44,000,000.00	2023-03-22	2025-06-24	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-11-26	Yes
The Company	Anhui Flat Glass	39,000,000.00	2023-03-22	2026-03-16	No
The Company	Anhui Flat Glass	450,000.00	2023-07-03	2025-12-15	Yes
The Company	Anhui Flat Glass	450,000.00	2023-07-03	2026-06-15	No
The Company	Anhui Flat Glass	600,000.00	2023-07-03	2026-12-15	No
The Company	Anhui Flat Glass	600,000.00	2023-07-03	2027-06-15	No
The Company	Anhui Flat Glass	900,000.00	2023-07-03	2027-12-15	No
The Company	Anhui Flat Glass	900,000.00	2023-07-03	2028-06-15	No
The Company	Anhui Flat Glass	900,000.00	2023-07-03	2028-12-15	No
The Company	Anhui Flat Glass	1,200,000.00	2023-07-03	2029-06-01	No
The Company	Anhui Flat Glass	3,750,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	3,750,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	5,000,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	5,000,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	7,500,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	7,500,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	7,500,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	10,000,000.00	2023-09-28	2025-07-04	Yes
The Company	Anhui Flat Glass	3,750,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	3,750,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	5,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	5,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	7,500,000.00	2023-09-28	2025-07-09	Yes

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
The Company	Anhui Flat Glass	7,500,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	7,500,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	10,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	2,250,000.00	2023-09-28	2025-12-15	Yes
The Company	Anhui Flat Glass	2,250,000.00	2023-09-28	2026-06-15	No
The Company	Anhui Flat Glass	3,000,000.00	2023-09-28	2026-12-15	No
The Company	Anhui Flat Glass	3,000,000.00	2023-09-28	2027-06-15	No
The Company	Anhui Flat Glass	4,500,000.00	2023-09-28	2027-12-15	No
The Company	Anhui Flat Glass	4,500,000.00	2023-09-28	2028-06-15	No
The Company	Anhui Flat Glass	4,500,000.00	2023-09-28	2028-12-15	No
The Company	Anhui Flat Glass	6,000,000.00	2023-09-28	2029-06-01	No
The Company	Anhui Flat Glass	1,500,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	1,500,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	2,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	2,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	3,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	3,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	3,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	4,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	375,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	375,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	500,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	500,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	750,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	750,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	750,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-09-28	2025-07-09	Yes
The Company	Anhui Flat Glass	1,500,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	1,500,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	2,000,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	2,000,000.00	2024-03-25	2025-07-09	Yes

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
The Company	Anhui Flat Glass	3,000,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	3,000,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	3,000,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	4,000,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	3,750,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	3,750,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	5,000,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	5,000,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	7,500,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	7,500,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	7,500,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	10,000,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	3,750,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	3,750,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	5,000,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	5,000,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	7,500,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	7,500,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	7,500,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	10,000,000.00	2024-03-25	2025-07-09	Yes
The Company	Anhui Flat Glass	9,375,000.00	2024-03-20	2025-07-09	Yes
The Company	Anhui Flat Glass	9,375,000.00	2024-03-20	2025-07-09	Yes
The Company	Anhui Flat Glass	12,500,000.00	2024-03-20	2025-07-09	Yes
The Company	Anhui Flat Glass	12,500,000.00	2024-03-20	2025-07-09	Yes
The Company	Anhui Flat Glass	11,250,000.00	2024-03-20	2025-07-09	Yes
The Company	Anhui Flat Glass	7,500,000.00	2024-03-20	2028-06-15	No
The Company	Anhui Flat Glass	18,750,000.00	2024-03-20	2028-06-15	No
The Company	Anhui Flat Glass	18,750,000.00	2024-03-20	2028-12-15	No
The Company	Anhui Flat Glass	25,000,000.00	2024-03-20	2029-06-01	No
The Company	Anhui Flat Glass	1,000,000.00	2024-06-25	2025-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2024-06-25	2025-11-26	Yes

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
The Company	Anhui Flat Glass	1,000,000.00	2024-06-25	2026-06-20	No
The Company	Anhui Flat Glass	1,000,000.00	2024-06-25	2026-12-20	No
The Company	Anhui Flat Glass	44,000,000.00	2024-06-25	2027-06-24	No
The Company	Anhui Flat Glass	1,000,000.00	2024-06-24	2025-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2024-06-24	2025-11-26	Yes
The Company	Anhui Flat Glass	1,000,000.00	2024-06-24	2026-06-20	No
The Company	Anhui Flat Glass	1,000,000.00	2024-06-24	2026-12-20	No
The Company	Anhui Flat Glass	44,000,000.00	2024-06-24	2027-06-23	No
The Company	Anhui Flat Glass	1,000,000.00	2024-09-23	2025-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2024-09-23	2025-11-26	Yes
The Company	Anhui Flat Glass	1,000,000.00	2024-09-23	2026-06-20	No
The Company	Anhui Flat Glass	1,000,000.00	2024-09-23	2026-12-20	No
The Company	Anhui Flat Glass	1,000,000.00	2024-09-23	2027-06-20	No
The Company	Anhui Flat Glass	44,000,000.00	2024-09-23	2027-09-22	No
The Company	Anhui Flat Glass	1,000,000.00	2024-09-23	2025-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2024-09-23	2025-11-26	Yes
The Company	Anhui Flat Glass	1,000,000.00	2024-09-23	2026-06-20	No
The Company	Anhui Flat Glass	1,000,000.00	2024-09-23	2026-12-20	No
The Company	Anhui Flat Glass	1,000,000.00	2024-09-23	2027-06-20	No
The Company	Anhui Flat Glass	44,000,000.00	2024-09-23	2027-09-22	No
The Company	Anhui Flat Glass	1,000,000.00	2024-09-29	2025-09-30	Yes
The Company	Anhui Flat Glass	1,000,000.00	2024-09-29	2026-09-30	No
The Company	Anhui Flat Glass	198,000,000.00	2024-09-29	2027-09-28	No
The Company	Anhui Flat Glass	500,000.00	2024-11-07	2025-05-07	Yes
The Company	Anhui Flat Glass	500,000.00	2024-11-07	2025-11-07	Yes
The Company	Anhui Flat Glass	500,000.00	2024-11-07	2026-05-07	No
The Company	Anhui Flat Glass	500,000.00	2024-11-07	2026-11-07	No
The Company	Anhui Flat Glass	500,000.00	2024-11-07	2027-05-07	No
The Company	Anhui Flat Glass	149,500,000.00	2024-11-07	2027-11-07	No
The Company	Anhui Flat Glass	1,500,000.00	2024-12-23	2025-06-22	Yes
The Company	Anhui Flat Glass	1,500,000.00	2024-12-23	2025-12-22	Yes

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
The Company	Anhui Flat Glass	1,500,000.00	2024-12-23	2026-06-22	No
The Company	Anhui Flat Glass	1,500,000.00	2024-12-23	2026-12-22	No
The Company	Anhui Flat Glass	1,500,000.00	2024-12-23	2027-06-22	No
The Company	Anhui Flat Glass	22,500,000.00	2024-12-23	2027-12-22	No
The Company	Anhui Flat Glass	100,000.00	2025-03-27	2025-09-21	Yes
The Company	Anhui Flat Glass	100,000.00	2025-03-27	2026-03-21	No
The Company	Anhui Flat Glass	100,000.00	2025-03-27	2026-09-21	No
The Company	Anhui Flat Glass	100,000.00	2025-03-27	2027-03-21	No
The Company	Anhui Flat Glass	100,000.00	2025-03-27	2027-09-21	No
The Company	Anhui Flat Glass	119,500,000.00	2025-03-27	2028-03-21	No
The Company	Anhui Flat Glass	1,000,000.00	2025-12-24	2026-06-20	No
The Company	Anhui Flat Glass	1,000,000.00	2025-12-24	2026-12-20	No
The Company	Anhui Flat Glass	1,000,000.00	2025-12-24	2027-06-20	No
The Company	Anhui Flat Glass	1,000,000.00	2025-12-24	2027-12-20	No
The Company	Anhui Flat Glass	1,000,000.00	2025-12-24	2028-06-20	No
The Company	Anhui Flat Glass	145,000,000.00	2025-12-24	2028-12-20	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2025-05-25	Yes
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2025-11-25	Yes
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2026-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2026-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2027-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2027-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2028-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2028-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2029-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2029-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2030-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2030-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2031-05-25	No
The Company	Anhui Flat Material	47,500,000.00	2023-05-25	2031-11-25	No
The Company	Anhui Flat Material	47,500,000.00	2023-05-25	2032-05-25	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the year					
The Company	Anhui Flat Material	41,000,000.00	2023-05-25	2032-11-25	No
The Company	Anhui Flat Material	41,000,000.00	2023-05-25	2033-05-25	No
The Company	Flat (Hong Kong)	35,568,000.00	2023-12-29	2025-06-05	Yes
The Company	Flat (Hong Kong)	35,568,000.00	2023-12-29	2025-12-05	Yes
The Company	Flat (Hong Kong)	80,496,000.00	2023-12-29	2026-06-05	No
The Company	Flat (Hong Kong)	1,140,000.00	2023-12-29	2025-06-05	Yes
The Company	Flat (Hong Kong)	1,140,000.00	2023-12-29	2025-12-05	Yes
The Company	Flat (Hong Kong)	2,580,000.00	2023-12-29	2026-06-05	No
The Company	Flat (Hong Kong)	35,568,000.00	2024-03-04	2025-06-05	Yes
The Company	Flat (Hong Kong)	35,568,000.00	2024-03-04	2025-12-05	Yes
The Company	Flat (Hong Kong)	80,496,000.00	2024-03-04	2026-06-05	No
The Company	Flat (Hong Kong)	1,140,000.00	2024-03-04	2025-06-05	Yes
The Company	Flat (Hong Kong)	1,140,000.00	2024-03-04	2025-12-05	Yes
The Company	Flat (Hong Kong)	2,580,000.00	2024-03-04	2026-06-05	No
The Company	Flat (Hong Kong)	1,520,000.00	2024-04-24	2025-06-05	Yes
The Company	Flat (Hong Kong)	1,520,000.00	2024-04-24	2025-12-05	Yes
The Company	Flat (Hong Kong)	3,440,000.00	2024-04-24	2026-06-05	No
The Company	Flat (Hong Kong)	47,424,000.00	2024-04-24	2025-06-05	Yes
The Company	Flat (Hong Kong)	47,424,000.00	2024-04-24	2025-12-05	Yes
The Company	Flat (Hong Kong)	107,328,000.00	2024-04-24	2026-06-05	No
The Company	Flat (Nantong)	110,000,000.00	2024-07-17	2031-12-20	No
The Company	Flat (Nantong)	110,000,000.00	2024-07-19	2031-12-20	No
The Company	Flat (Nantong)	190,000,000.00	2024-07-16	2031-12-20	No
The Company	Flat (Nantong)	90,000,000.00	2024-07-17	2031-12-20	No
The Company	Fulaitai	168,881,222.80	2023-12-14	2025-12-21	Yes
The Company	Fulaitai	1,911,789,014.20	2023-12-14	2040-01-23	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the last year					
The Company	Zhejiang Flat	11,000,000.00	2023-05-31	2024-05-31	Yes
The Company	Zhejiang Jiafu	20,000,000.00	2024-05-31	2025-05-31	No
The Company	Zhejiang Jiafu	50,000,000.00	2023-10-31	2024-04-30	Yes
The Company	Zhejiang Jiafu	120,000,000.00	2024-01-02	2024-03-15	Yes
The Company	Zhejiang Jiafu	20,000,000.00	2024-09-30	2025-09-30	No
The Company	Zhejiang Jiafu	49,500,000.00	2021-03-04	2024-03-03	Yes
The Company	Zhejiang Jiafu	100,000.00	2023-03-21	2024-03-19	Yes
The Company	Zhejiang Jiafu	100,000.00	2023-03-21	2024-09-19	Yes
The Company	Zhejiang Jiafu	100,000.00	2023-03-21	2025-03-19	No
The Company	Zhejiang Jiafu	100,000.00	2023-03-21	2025-09-19	No
The Company	Zhejiang Jiafu	179,500,000.00	2023-03-21	2026-03-19	No
The Company	Zhejiang Jiafu	200,000,000.00	2024-06-27	2027-06-24	No
The Company	Anhui Flat Glass	75,000,000.00	2023-01-10	2024-01-10	Yes
The Company	Anhui Flat Glass	15,000,000.00	2023-08-24	2024-02-20	Yes
The Company	Anhui Flat Glass	75,000,000.00	2024-03-28	2025-03-28	No
The Company	Anhui Flat Glass	100,000,000.00	2024-03-28	2025-03-28	No
The Company	Anhui Flat Glass	50,000,000.00	2024-04-25	2025-04-21	No
The Company	Anhui Flat Glass	30,000,000.00	2024-05-07	2025-05-06	No
The Company	Anhui Flat Glass	50,000,000.00	2024-05-23	2025-05-16	No
The Company	Anhui Flat Glass	30,000,000.00	2024-06-06	2025-06-05	No
The Company	Anhui Flat Glass	40,000,000.00	2024-08-09	2025-08-09	No
The Company	Anhui Flat Glass	50,000,000.00	2024-09-25	2025-09-27	No
The Company	Anhui Flat Glass	30,000,000.00	2024-11-07	2025-11-06	No
The Company	Anhui Flat Glass	30,000,000.00	2024-09-06	2025-09-01	No
The Company	Anhui Flat Glass	40,000,000.00	2024-08-23	2025-08-11	No
The Company	Anhui Flat Glass	30,000,000.00	2024-10-08	2025-09-25	No
The Company	Anhui Flat Glass	50,000,000.00	2024-10-25	2025-10-20	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2024-02-01	Yes
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2024-06-06	Yes

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the last year					
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2025-04-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2025-10-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2026-04-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2026-10-27	No
The Company	Anhui Flat Glass	100,000,000.00	2022-11-16	2027-04-27	No
The Company	Anhui Flat Glass	100,000,000.00	2022-11-16	2027-10-27	No
The Company	Anhui Flat Glass	155,000,000.00	2021-06-28	2024-06-25	Yes
The Company	Anhui Flat Glass	229,500,000.00	2021-06-15	2024-06-15	Yes
The Company	Anhui Flat Glass	2,000,000.00	2023-03-16	2024-02-15	Yes
The Company	Anhui Flat Glass	46,000,000.00	2023-03-16	2024-09-11	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2024-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2024-12-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-06-20	No
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-12-20	No
The Company	Anhui Flat Glass	44,000,000.00	2023-03-22	2026-03-16	No
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2024-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2024-12-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-06-20	No
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-12-20	No
The Company	Anhui Flat Glass	39,000,000.00	2023-03-22	2026-03-16	No
The Company	Anhui Flat Glass	1,000,000.00	2023-03-28	2024-06-20	Yes
The Company	Anhui Flat Glass	47,000,000.00	2023-03-28	2024-09-19	Yes
The Company	Anhui Flat Glass	126,000,000.00	2023-07-03	2024-04-03	Yes
The Company	Anhui Flat Glass	14,000,000.00	2023-07-03	2024-07-01	Yes
The Company	Anhui Flat Glass	54,000,000.00	2023-07-03	2024-04-29	Yes
The Company	Anhui Flat Glass	6,000,000.00	2023-07-03	2026-06-15	No
The Company	Anhui Flat Glass	155,000,000.00	2023-07-03	2026-12-15	No
The Company	Anhui Flat Glass	245,000,000.00	2024-03-25	2029-06-01	No
The Company	Anhui Flat Glass	50,000,000.00	2024-06-27	2027-06-24	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the last year					
The Company	Anhui Flat Glass	50,000,000.00	2024-06-27	2027-06-23	No
The Company	Anhui Flat Glass	50,000,000.00	2024-09-23	2027-09-22	No
The Company	Anhui Flat Glass	50,000,000.00	2024-09-23	2027-09-22	No
The Company	Anhui Flat Glass	152,000,000.00	2024-11-07	2027-11-07	No
The Company	Anhui Flat Glass	30,000,000.00	2024-12-23	2027-12-22	No
The Company	Anhui Flat Glass	200,000,000.00	2024-09-29	2027-09-28	No
The Company	Flat (Hong Kong)	17,000,000.00	2023-02-03	2024-02-01	Yes
The Company	Flat (Hong Kong)	10,000,000.00	2023-03-20	2024-02-29	Yes
The Company	Flat (Hong Kong)	20,000,000.00	2023-11-21	2024-08-26	Yes
The Company	Flat (Hong Kong)	42,496,200.00	2023-06-05	2026-06-05	No
The Company	Flat (Hong Kong)	169,644,384.00	2023-06-05	2026-06-05	No
The Company	Flat (Hong Kong)	169,925,184.00	2024-03-04	2026-06-05	No
The Company	Flat (Hong Kong)	42,635,400.00	2024-03-04	2026-06-05	No
The Company	Flat (Hong Kong)	56,750,400.00	2024-04-24	2026-06-05	No
The Company	Flat (Hong Kong)	42,804,289.71	2024-04-24	2024-11-30	Yes
The Company	Flat (Hong Kong)	183,443,134.29	2024-04-24	2026-06-05	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2024-11-25	Yes
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2025-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2025-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2026-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2026-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2027-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2027-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2028-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2028-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2029-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2029-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2030-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2030-11-25	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2025
During the last year					
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2031-05-25	No
The Company	Anhui Flat Material	47,500,000.00	2023-05-25	2031-11-25	No
The Company	Anhui Flat Material	47,500,000.00	2023-05-25	2032-05-25	No
The Company	Anhui Flat Material	41,000,000.00	2023-05-25	2032-11-25	No
The Company	Anhui Flat Material	41,000,000.00	2023-05-25	2033-05-25	No
The Company	Flat (Nantong)	110,000,000.00	2024-07-17	2031-12-20	No
The Company	Flat (Nantong)	110,000,000.00	2024-07-19	2031-12-20	No
The Company	Flat (Nantong)	190,000,000.00	2024-07-16	2031-12-20	No
The Company	Flat (Nantong)	90,000,000.00	2024-07-17	2031-12-20	No
The Company	Sanli Mining	10,000,000.00	2023-09-27	2024-05-24	Yes
The Company	Dahua Mining	50,000,000.00	2023-12-19	2024-12-18	Yes
The Company	Fulaitai	105,337,872.80	2023-12-14	2024-12-21	Yes
The Company	Fulaitai	1,540,499,068.00	2023-12-20	2039-06-26	No

1. DETAILS OF EXTRA-ORDINARY PROFIT OR LOSS

The calculation form of the details of extra-ordinary profit or loss is prepared in accordance with the relevant provisions of Public Issuance of Securities Companies Information Disclosure and Compilation Rules Interpretative Announcement No. 1 – Extra-ordinary Profit or Loss (Revised in 2023) issued by the China Securities Regulatory Commission.

RMB

Items	During the year
Losses on disposal of non-current assets	**(90,854,201.76)**
Government grants recognized in the current period profit or loss, except for those closely related to the company's normal business operations, in compliance with national policy regulations, enjoyed according to established standards, and having a continuous impact on the company's profit or loss (Note)	**24,011,022.75**
Gains and losses arising from fair value changes of financial assets and financial liabilities held by non-financial enterprises, as well as gains and losses from the disposal of financial assets and financial liabilities, except for effective hedging activities related to the company's normal business operations	**9,738,480.92**
Share-based payment expenses recognized in full due to cancellation or modification of equity incentive plans	**(3,815,408.23)**
Other non-operating income and expenses other than the above	**348,575.01**
Subtotal	**(60,571,531.31)**
Effects of income tax	**8,224,959.30**
Effects of minority interests	**(1,447.44)**
Total	**(52,348,019.45)**

Note: For details of the government grants included in the current profit and loss for the year, please refer to Note (VII). The above subsidy amount does not include the subsidy of distributed PV power generation project of RMB3,478,853.02 and the government grants related to assets of RMB30,019,448.85, which are closely related to the Group's business and are fixed or quantified in accordance with national unified standards.

Supplementary Information

2. RETURN ON NET ASSETS AND EARNINGS PER SHARE

The calculation form of the return on net assets and earnings per share is prepared in accordance with the relevant provisions of Public Issuance of Securities Companies Information Disclosure and Compilation Rules No. 09 – Calculation and Disclosure of Return on Net Assets and Earnings Per Share (Revised in 2010) (CSRC Announcement [2010] No. 2) issued by the China Securities Regulatory Commission.

RMB

Profit in the reporting period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
During the year			
Net profit attributable to ordinary shareholders of the Company	4.44	0.42	0.42
Net profit attributable to ordinary shareholders of the Company excluding non-recurring items	4.68	0.44	0.44
During last year			
Net profit attributable to ordinary shareholders of the Company	4.55	0.43	0.43
Net profit attributable to ordinary shareholders of the Company excluding non-recurring items	4.59	0.43	0.43

3. THE GROUP'S SUMMARY OF PERFORMANCE, ASSETS AND LIABILITIES IN THE PAST FIVE ACCOUNTING YEARS

RMB

Items	2025	2024	2023	2022	2021
I. Total operating income	**15,566,788,573.36**	18,682,602,478.36	21,523,708,522.42	15,460,843,227.36	8,713,228,065.59
Less: Operating costs	**12,934,724,797.63**	15,787,606,518.28	16,830,721,240.54	12,048,190,879.61	5,620,391,966.94
Taxes and surcharges	**155,023,457.45**	196,311,824.63	198,145,169.13	134,772,326.23	48,466,185.37
Selling expenses	**69,465,428.93**	51,974,447.60	119,751,307.45	118,877,978.75	85,724,646.32
General and administrative expenses	**336,100,941.29**	327,558,607.22	302,200,735.53	277,541,944.49	221,778,736.93
Research and development expenses	**430,683,427.96**	604,788,932.74	596,750,492.70	523,230,185.51	408,417,461.35
Financial expenses	**413,485,576.66**	407,493,717.54	482,892,747.57	240,434,620.48	52,518,443.24
Including: Interest expense	**514,688,309.56**	569,813,716.98	590,660,016.42	338,235,144.15	90,252,414.76
Interest income	**78,544,869.16**	126,044,839.70	102,641,259.91	59,295,478.89	37,314,406.92
Add: Other revenues	**104,319,682.50**	121,137,364.75	166,941,306.05	77,452,388.08	58,331,820.26
Investment income	**37,937,217.47**	51,804,613.22	27,722,636.72	12,864,496.08	31,886,225.40
Including: Gains on investment in associates	**23,620,234.79**	18,629,460.08	18,159,670.48	7,566,505.74	5,558,487.56
Gains (losses) from changes in fair values	**(4,578,501.76)**	1,020,354.15	632,854.33	(1,828,707.98)	(1,382,927.57)
Gains (losses) on credit impairment	**8,038,640.63**	71,532,046.19	(77,813,105.53)	(39,074,459.18)	23,554,616.85
Asset impairment losses	**(202,280,611.18)**	(356,220,611.54)	(52,288,682.63)	(3,094,217.86)	(10,202,178.73)
Gains (losses) on disposal of assets	**(90,854,201.76)**	(65,984,014.24)	(7,086,732.47)	(8,899,606.56)	3,599,005.34
II. Operating profit	**1,079,887,169.34**	1,130,158,182.88	3,051,355,105.97	2,155,215,184.87	2,381,717,186.99
Add: Non-operating income	**5,298,491.64**	4,730,625.24	4,101,236.71	1,435,472.21	2,674,782.95
Less: Non-operating expense	**4,949,916.63**	6,380,288.33	3,648,182.91	3,774,893.58	4,176,927.50
III. Total profit	**1,080,235,744.35**	1,128,508,519.79	3,051,808,159.77	2,152,875,763.50	2,380,215,042.44
Less: Income tax expenses	**87,626,851.95**	112,378,810.76	288,781,280.25	30,095,335.07	260,295,716.01
IV. Net profit	**992,608,892.40**	1,016,129,709.03	2,763,026,879.52	2,122,780,428.43	2,119,919,326.43
Net profit attributable to shareholders of the parent company	**980,574,130.35**	1,006,602,737.08	2,759,690,819.78	2,122,780,428.43	2,119,919,326.43
Profit or loss attributable to minority interests	**12,034,762.05**	9,526,971.95	3,336,059.74	–	–
V. Other comprehensive income, net of tax	**(114,332,412.18)**	(37,666,895.80)	(31,001,033.29)	49,963,457.84	13,594,620.59
Other comprehensive income, net of tax attributable to the owners of the parent company	**(113,919,949.85)**	(37,666,895.80)	(31,001,033.29)	49,963,457.84	13,594,620.59
(I) Other comprehensive income that cannot be reclassified to profit or loss	**–**	–	–	–	(1,913,160.00)
– Changes in fair value of other equity instrument investments	**–**	–	–	–	(1,913,160.00)
(II) Other comprehensive income that will be reclassified to profit or loss	**(113,919,949.85)**	(37,666,895.80)	(31,001,033.29)	49,963,457.84	15,507,780.59
– Translation differences in foreign currency financial statements	**(113,919,949.85)**	(51,575,055.55)	(20,208,141.20)	50,150,986.60	12,470,952.05
– Changes in fair value of accounts receivable financing	**–**	13,908,159.75	(10,792,892.09)	(187,528.76)	3,036,828.54
Other comprehensive income, net of tax attributable to minority interests	**(412,462.33)**	–	–	–	–
VI. Total comprehensive income	**878,276,480.22**	978,462,813.23	2,732,025,846.23	2,172,743,886.27	2,133,513,947.02
Total comprehensive income attributable to shareholders of the parent company	**866,654,180.50**	968,935,841.28	2,728,689,786.49	2,172,743,886.27	2,133,513,947.02
Other comprehensive income attributable to minority interests	**11,622,299.72**	9,526,971.95	3,336,059.74	–	–
VII. Earnings per share:					
(I) Basic earnings per share	**0.42**	0.43	1.24	0.99	0.99
(II) Diluted earnings per share	**0.42**	0.43	1.24	0.99	0.99

Supplementary Information

3. THE GROUP'S SUMMARY OF PERFORMANCE, ASSETS AND LIABILITIES IN THE PAST FIVE ACCOUNTING YEARS (Continued)

RMB

Items	31 December 2025	31 December 2024	31 December 2023	31 December 2022	31 December 2021
Total Assets	**42,384,414,248.41**	42,919,798,033.81	42,981,997,983.52	32,381,722,606.05	20,082,917,100.50
Total Liabilities	**19,772,889,994.81**	21,135,637,157.78	20,691,087,532.36	18,349,275,392.88	8,272,748,027.71
Minority interests	**96,498,873.32**	85,363,031.69	75,836,059.74	–	–
Total equity attributable to shareholders of the parent company	**22,515,025,380.28**	21,698,797,844.34	22,215,074,391.42	14,032,447,213.17	11,810,169,072.79